HOUSE OF COMMONS DEBATES

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HOUSE OF COMMONS

Wednesday, December 19, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S.O. 31

[*English*]

1991 CANADA WINTER GAMES

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, from February 17 to March 2, 1991, the eyes of our nation will be firmly focused on my province of Prince Edward Island as 2,500 of our country's best young athletes will gather to compete in the 1991 Canada Winter Games.

The excitement and anticipation of the games are evident throughout the Island as 4,000 volunteers work together to prepare for this important event. In all, 68 communities will play host to competition as Islanders welcome Canadians to the place where our forefathers gathered to give birth to our nation in 1864. This will be a great opportunity for all of us to realize the potential of a united and cohesive Canada as we bring Canadians together in a common cause.

I encourage members from all parties, from all corners of our country, and all Canadians to come to Prince Edward Island to take part in this important national event. We can rest assured that the 1991 Canada Winter Games will be an exciting Canadian event.

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[*Translation*]

ELECTION IN HAITI

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to the Minister of Public Works): Mr. Speaker, on Sunday, December 16, a democratic election was held in Haiti. Father Jean Bertrand Aristide was elected with more than 70 per cent of the popular vote, after more than 35 years under a dictatorship Duvalier. As a friend of the Haitian people, I am glad the election process was orderly and democratic.

After electing Jean Bertrand Aristide, a personal friend and respected Haitian leader, this country will be able to make great strides towards democracy and justice. That is why I want to ask my government not only to increase material aid to this country but also to promote economic and political relations with a newly-elected government that will be more supportive of justice and open government, in a new, democratic Haiti.

* * *

[*English*]

CANADIAN MERCHANT NAVY

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, during Question Period last November 8, I asked the Minister of Veterans Affairs if he would do the right thing and quickly introduce legislation that would give war veterans status to former members of the Canadian Merchant Navy who during World War II had sailed through dangerous waters.

The minister seemed to indicate that his department was looking into it. I understand the minister was telling not only me and this House but also the veterans most concerned with this question and the people of Canada that his department would be discussing with a number of veterans groups the possibility of giving veterans status to World War II merchant navy veterans.

We were wrong. Neither the minister nor anyone from his department has attended any meetings of the study group which the veterans groups have set up to study a number of questions including the matter of merchant seamen.

The minister should take the earliest possible opportunity to give war veteran status to Canada's merchant seamen who served our country during World War II. Surely this is an issue that has been studied to death and should be acted on immediately. But, if the minister insists on studying it a little more, he or his representa-

tives should actively conduct that study with the assistance of veterans organizations including representatives of merchant navy veterans.

I hope the minister will tell this House and the people of Canada if he has completely rejected the possibility of giving war veterans status to merchant seamen. If he has not, he should at long last do the right thing and bring in legislation. We will put it through in one day and correct this historic injustice.

* * *

THE ECONOMY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, last month it was the men and women of Air Canada who fell victim to the government's irresponsible economic policies; 2,800 jobs were lost across Canada, 240 in Manitoba. Two weeks ago the government's misguidance in other policies led to cuts to the CBC eliminating an estimated 40 to 50 jobs in Manitoba alone. This week it is the Royal Canadian Mint in Winnipeg; 29 more employees have been laid off with little hope, if any, of return.

When will this government learn to stop this brutal slashing of good jobs for Canadians and stop picking on western Canadians. Is there a minister in the government prepared to tell us today of the other job cuts Canadians can expect this winter as a result of policies such as high interest rates, the Canadian U.S. trade agreement, and the inflationary goods and services tax?

What a disgrace. Almost 5 million Canadians are poor, close to 2 million are on welfare, and over half a million are using overcrowded food banks. When will this assault on the working Canadian men and women cease?

* * *

FISHERIES

Mr. Peter L. McCreath (South Shore): Mr. Speaker, the 1991 Atlantic groundfish management plan clearly demonstrates that recent government measures including quota cuts have worked for the benefit of all Canadians, particularly those in the fishing industry. Increases in 4X and 5 cod quotas clearly indicate that we have turned the corner in the Scotia Fundy region.

I commend the Minister of Fisheries and Oceans for his sensitive and sensible TAC for the vital 2J and 3K–L cod stock. The established figure finds a reasonable balance between allowing the stock an opportunity to recover while at the same time securing the social and economic needs of those fishermen and plant workers whose livelihood depends on the stock.

Suggestions from Cabot Martin of the Newfoundland Inshore Fisheries Alliance should be seen as a self–serving hypocrisy that they are. During the past week he has been the darling of the media calling for major cuts in the quota but of course intends that all the cuts should be from the offshore sector.

• (1410)

Today's announcement from the European Community for an excessive unilateral EC quota of northern cod should be condemned from all sides of this House and by all Canadians. Through the sound management of this government and this minister, our cod stocks will come back and secure a great future for the Atlantic ground fishery. However, 1991 may require new measures for dealing with our European friends.

* * *

[*Translation*]

POVERTY

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, as Christmas approaches, I would like to draw the attention of this House to the shameful fact that poverty and malnutrition are affecting increasingly larger numbers of Canadians. One family out of five spends more than 50 per cent of its income on shelter. Sixty per cent of single–parent families, mostly headed by women, live below the poverty line.

In Montreal's disadvantaged neighbourhoods, 12 per cent of the children are born underweight, which is more than in many Third World countries. Fortunately, community organizations and volunteers are helping to deal with this problem.

I would like to pay tribute to these people today and ask hon. members to increase pressure on the government and do their share to provide a minimum of dignity for our poorest fellow Canadians.

CANADIAN BROADCASTING CORPORATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the action taken by the CBC is no different from that taken by Radio-Québec in 1986, when it closed nine regional production centres, and earlier this year, when it closed its office in Gaspé.

Where the cuts are to be made is the exclusive responsibility of the president and CBC officials. Let them open their books so that members of Parliament and the Quebec public can see for themselves what their assets and liabilities are.

Mr. Speaker, instead of shouting at Conservative members from Eastern Quebec, PQ MPP Jean Garon should tell Quebecers what he ought to have done to prevent the closing of regional stations by Radio-Québec. This message also concerns the federal NDP and its Quebec wing.

* * *

[*English*]

BRITISH COLUMBIA MINISTER OF THE ENVIRONMENT

Mr. Al Horning (Okanagan Centre): Mr. Speaker, last week the MLA for Okanagan West, Mr. Cliff Serwa, a constituent of mine, was named the Minister of the Environment for British Columbia.

Having known Mr. Serwa for many years, I believe he will do an outstanding job. I know he looks forward to working with our Minister of the Environment as the green plan proceeds.

I am sure all members of this House join me in wishing Mr. Serwa well as he takes on his new responsibilities.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, in Moncton today, nearly 2,000 Acadians will demonstrate to protest the cuts at the CBC. As a result of these cuts, there will hardly be any news about the performance of young Acadians at the Jeux d'Acadie.

In Timmins—Chapleau, in my riding, we have lost our voice, making our isolation even more obvious. The government spends several million dollars on a commission on national unity, and meanwhile, the Minister of Communications does nothing to prevent cuts in the CBC network, one of the very tools we need to promote dialogue and understanding among Canadians.

In the case of francophones outside Quebec, these cuts have made them even more isolated and vulnerable. If the Prime Minister is sincere about his efforts to promote national unity, he should ensure that his government supports his position instead of undermining it.

* * *

[*English*]

RURAL WEEKLY NEWSPAPERS

Mr. Maurice Foster (Algoma): Mr. Speaker, rural weekly newspapers play a vital role in our communities, in our provinces, and in our nation. By communicating information within the community and informing people of the government policies and programs, they play a vital role in news gathering and dissemination. They play an important part in the whole democratic process in Canada.

Last week the Mulroney government declared war on these rural weekly papers by dramatically increasing the postage rates and taxes that these newspapers pay. This has caused an increase in costs of over 350 per cent for one weekly newspaper in my constituency.

The *Manitoulin Expositor*, a weekly paper on Manitoulin Island, will have its postage charges when combined with the GST tax increased from $17,000 this year to $57,000 next year. This is an unconscionable increase for this rural weekly newspaper. I am sure that many weekly newspapers will go out of business next year because of these new taxes and postage increases.

I call on the government to stop this destruction of our rural weekly newspapers and roll back these tax and postage increases.

[*Translation*]

SENIOR CITIZENS

Mr. Jacques Vien (Laurentides): Mr. Speaker, last week I had the privilege of attending two meetings of senior citizens clubs in my riding. I am referring to *L'Âge d'or de Saint-Jovite* and *Le Cercle d'amitié de Lafontaine*.

The number of senior citizens is increasing steadily, and seniors are becoming more and more active in a variety of areas. That is the case in my riding as well, and I am delighted. I am proud to see that senior citizens are trying to take the place that is rightfully theirs in the community.

I would like to pay tribute to all senior citizens who regularly participate in community activities. They have demonstrated that seniors are dynamic and are making a very significant and very enriching contribution to society.

* * *

[*English*]

MARGARET THATCHER

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, a remarkable era in British politics ended last month as Margaret Thatcher stepped down after serving as Prime Minister of that country for eleven and one-half years.

I rise today to pay tribute to this great world leader and remarkable statesperson. Mrs. Thatcher's pragmatic approach to complex issues, as well as her undaunting commitment to freedom and the free enterprise system, were trademarks of her political career that were best demonstrated by her valuable contribution to the ending of the cold war and the opening of eastern Europe.

Here in Canada, Thatcher's opposition to the common agricultural policy of the European Economic Community has been appreciated by our prairie farmers, given the economic consequence they have suffered as a result of that trade distorting welfare program.

Mrs. Thatcher never shied away from her iron lady image, which she earned from the Soviet media for her opposition to communism and unwavering support of the NATO alliance. I salute the iron lady. She is an inspiration to us all.

* * *

RACIAL TOLERANCE

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, I rise today to draw your attention to the growing intolerance faced by Canada's Muslim and Arabic population.

As Canada and the west prepare to go to war with Saddam Hussein, too many commentaries and images have portrayed Iraqis and other Arab peoples as the new enemies of the west. This is racism pure and simple and must never be allowed to go unchallenged.

[*Translation*]

Statements inciting hatred against any identifiable group should be vigourously condemned by all members of the House. I want to ask the Minister of State (Multiculturalism) to take up the defence of Moslem and Arab groups in Canada. It is the very least we can do, Mr. Speaker.

* * *

[*English*]

LABOUR DISPUTES

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, the Conservative government has really taken its lack of caring for the unemployed of this country to the limit. The infamous 85 per cent call-back rule before workers are entitled to UI has been turned down by a local board of referees, by an umpire and by the Federal Court of this country.

Not to worry, the government has not given up in its fight against the unemployed. It has appealed the decision to the Supreme Court to ensure that even when a labour dispute ends, workers will not qualify for UI.

I have received indications from labour lawyers and government officials that the Supreme Court decision may be lost by the government. However, faced with this possibility, once again it has demonstrated a total lack of compassion. The government is now suggesting that with the new improved Bill C-21, which supersedes the old bill which is even more stringent, it can disregard the ruling by the Supreme Court.

Through this manoeuvre the government is saying it is above the law of the land. The quality of mercy is certainly strained. Merry Christmas to the Tories from the unemployed of this country.

* * *

THE SENATE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, as the year draws to an end, it is difficult to forget the spectacle caused by the MacEachen group in the Senate. Amidst desk thumping rhythmics accompanied by a symphony of kazoos and efforts to gain entry into the *Guinness World Book of Records* for long-windedness, the reputation and the respect of Canada's chamber of sober second thought slithered to a point that defied definition. Let us hope that the credibility given to this Chamber by the Conservative senators becomes contagious and that the 20-plus government bills currently before them are dealt with in a manner that had previously been the expectation of that place.

And to the departing interim Leader of the Opposition, who with his credibility has provided wise, respectable leadership in the House of Commons, it is unfortunate for every point he gained for his party in the polls that his Liberal counterparts in the Senate cost him a point and one-half.

• (1420)

Mr. Speaker: I just want to say to all hon. members that they will note, because of the largess of the Speaker, all members who wished to make a statement today were allowed to do so. It is part of the Christmas spirit. Do not count on it during the new year.

Mr. Gauthier: A point of order, Mr. Speaker.

Mr. Speaker: This is stretching Christmas spirit far too far.

Mr. Gauthier: Mr. Speaker, in the same spirit, would you allow for all questions to be put and answered?

Mr. Speaker: Only on one condition, that not only the minister asked but all other ministers may join in the answer.

ORAL QUESTION PERIOD

[*English*]

Mr. Speaker: The hon. Leader of the Opposition.

Some hon. members: Herb, Herb, Herb.

Some hon. members: Hear, hear.

* * *

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I want to thank my colleagues for their applause and above all for their encouragement and support over the past several months. I certainly look forward to working with the new leader in the same co-operative and constructive spirit.

In that sense, I also want to thank the government for giving me such good material, which I say with some regret I forecast will continue to be the case in months to come.

Mr. Speaker, I have a question for the Minister of Finance. I ask this question because today the Canadian Manufacturers' Association published its year-end review. It confirmed that we are in a made in Canada recession, one it said was "precipitated by rising interest and exchange rates". In other words, it is due to the misguided economic policies of this government. The report says that this recession will result in "the loss of 180,000 manufacturing jobs, of which perhaps half will be permanently lost", and "the bankruptcy and closure of hundreds of manufacturing firms".

Why is the Minister of Finance the last person in this country to recognize the carnage being caused by his own policies to the economy and the people of this country and why will he not start doing something right now to stop this carnage and devastation?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I recognized that we are coming into a difficult economic period in the budget of February, so it was something that we had anticipated. We felt it was coming, as I have indicated in the past. It is something that does happen when a country has gone through 7.5 years of very strong growth. It is happening in the United States, it is happening in the United Kingdom, it is

happening in Australia, it is happening in some other countries. We are not alone in the difficulties we are experiencing.

We recognized this in the spring of this year when we started bringing interest rates down. Interest rates have come down more than 200 basis points. There will be a further reduction in the bank rate tomorrow, as indicated by the markets now. I think this is the best thing we can do in order to provide lower borrowing costs, freeing up opportunities for economic activity right across the country.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I regret I have to say that that answer simply will not do for the thousands of Canadians standing in the unemployment lines. It simply will not do for the thousands of Canadians standing in the welfare lines. It simply will not do for the thousands of Canadians standing in the food bank lines tragically, even in this holiday season right across this country, due to the misguided policies of this government.

The Canadian Manufacturers' Association said that this did not have to happen. When will the minister wake up and start doing something new and meaningful for the thousands of workers who are losing their jobs permanently because of the recession caused by the policies of this minister? Why will he not do something right now for the innocent victims of his and his government's made in Canada recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my hon. friend says that lowering interest rates simply will not do. He has been critical of high interest rates for some period now. I think we have been moving reasonably aggressively to get interest rates down. Now he says it simply will not do.

If it will not do, then what is the position of the Liberal Party? We have heard this time and again whether it is free trade, whether it is on the goods and services tax, now on economic policies. The Liberal Party of Canada is full of a lot of hot air but it is not full of any constructive alternatives as to how it would do things better or differently.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, Canadians are saying to the minister and his government that they want an election and a new and better government, not unfortunately the government that we are looking at on the other side of the House. When the minister talks about high interest rates being brought down, Canadians know that what he has been doing has been too little too late.

[*Translation*]

Today, the Canadian Manufacturers' Association published its year-end report. I want to ask the Minister of Finance: When will he go to unemployment insurance offices across Canada and see all those people waiting in line? How does he think the unemployed are going to get through Christmas without any hope of better times in the New Year? Why are there not new policies for all these unemployed workers?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we acknowledged there are currently many weak spots in our economy, and we have reduced interest rates since last spring. The result will create opportunities for future growth. It is normal for the economy to slow down after seven and a half years of very strong growth. Furthermore, we have kept the inflationary pressures we had two years ago under control. There may be future reductions in interest rates, and that is the best answer for our economy today.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, in its February Budget, the government acknowledged that all the elements were in place for a recession. The Minister of Finance got his wish: the unemployment rate is rising while thousands of jobs are being lost every month. The bankruptcy rate in Canada has reached record levels, and we know we are in a recession that has engulfed the entire country.

I want to ask the Minister of Finance: Is he satisfied with the results of his economic policy? Does the Minister of Finance believe it will be a Merry Christmas and a prosperous New Year for Canadians, thanks to his policies?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, no one is happy about a recession. No one is happy about seeing people lose their jobs. No one is happy about seeing people go bankrupt. But these are things that happen in an economy that is growing faster than the capacity of the economy to meet that growth.

There are certain signs in the economy. If the hon. member would look at *The Globe and Mail* this morning, it says, "Robust trade month a surprise". There is a

continuation of export growth in the economy. I think this is something we can take some comfort in, that it is not all the black picture which my hon. friend and the Leader of the Opposition seek to portray here. It is important to recognize that we talk about these things with a good deal of balance, recognizing that there are difficulties, but also recognizing that there are some positive elements in the economy today.

• (1430)

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the sharp drop in U.S. interest rates yesterday just widened the gap between our rates and the American rates.

Canadians are suffering the permanent loss of jobs in the manufacturing sector, and the minister knows that, and personal and corporate bankruptcies are reaching an all–time record in this country.

How does the minister explain to Canadian businessmen, who are facing high interest rates and a high Canadian dollar, how they are going to be competitive and how they are going to survive in this climate, that was created as a definite plan by the government and proposed in its February budget? What is the minister's answer to Canadian business, if he does not want to answer us?

Some hon. members: Hear, hear.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me just point out that in the past couple of months we have seen a narrowing in the interest rate spread between the United States and Canada of 150 bases points. So, we are responding to the concerns that the hon. member has referred to just now. We talk a lot to business people and are hearing those same concerns but we have also responded.

My hon. friend has asked why we got into that position. In 1988 and 1989, it was a very clear picture that we were looking at of strong inflationary pressures in the economy. If we had ignored those problems, if we had let the inflation get out of control, as it did in the seventies and early eighties, those same business people would be facing considerably higher inflation rates today and considerably higher rates of interest and that would have resulted in considerably higher levels of unemployment.That, Mr. Speaker, is what we are trying to avoid with the policies we have been following.

Some hon. members: Hear, hear.

* * *

ETHIOPIAN FAMINE RELIEF

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, if I may say so I, too, congratulate the hon. member for Windsor West for his work as Leader of the Opposition and I think we all have appreciated his contributions.

Some hon. members: Hear, hear.

Ms. McLaughlin: My question, Mr. Speaker, is directed to the Deputy Prime Minister. It has been a very difficult year for Canada with high unemployment, a recession, and serious questions of national unity and we have all done a lot of soul searching in the House.

But I would like to take this time to look outside ourselves as well, because as a nation we do have a responsibility for people who are in much worse circumstances than ourselves and not ignore the fact that millions of human beings, around the world, are starving during this holiday season. I think we really should look at our role as a nation. There are some four million people starving in northern Ethiopia and it is suggested that what is needed, through Oxfam Canada, is $1.75 million.

Will the government commit to ward off this famine and commit now to that $1.75 million, so that the people of northern Ethiopia can have a happy holiday season too?

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, may I, before I begin my response, add my heartfelt congratulations to the Leader of the Opposition on being relieved of that post. Some of us know what a great deal of satisfaction leaving that post can be. And may I also—

Some hon. members: Oh, oh.

An hon. member: Explain.

Mr. Clark (Yellowhead): Oh, I think there is room for a little ambiguity.

Let me also express to the Leader of the New Democratic Party our congratulations to her on her

conduct as we draw near the end of the calendar year in which she has been serving as the leader of her party.

On the question of Ethiopia, first, the government certainly shares the very strong view that has been expressed by the member for Yukon with respect to our international obligations and we try hard to honour those. We try hard to honour those through ODA and we try hard to honour those through bringing an early and peaceful end to a conflict in the Gulf, whose principal victims are precisely the poor of developing countries who are faced with the double impact of high energy prices and the loss of remittances coming to their countries.

I am concerned and we are concerned about Ethiopia. There have been discussions raised by private members with regard to the value of a special trip by members of Parliament representing the three parties in the House to that region over the Christmas period. I believe that would be a useful undertaking. I intend to follow through on that suggestion.

We will then take a look at the specific recommendations that those members of Parliament may make to us upon their return.

Some hon. members: Hear, hear.

Ms. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker. I certainly appreciate the point of the Secretary of State for External Affairs that perhaps there is a place for an independent review of the situation in Africa which is very serious. I would applaud that initiative.

I would like to say that there is an immediate problem that we know about right now. Oxfam Canada has estimated that a million tonnes of grain is needed in northern Ethiopia and a million tonnes of grain in the Sudan. Yet, it is also estimated that right here in Canada we are sitting with 33 million tonnes of surplus grain still in farmers' storage bins.

I would ask the Minister of Agriculture if the Canadian government consider purchasing that grain from Canadian farmers and donating it to those people who need it right now and cannot wait.

[*Translation*]

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, as the Secretary of State for External Affairs mentioned, we are indeed concerned about Ethiopia. My hon. colleague probably knows that an agreement to reopen the port of Massawa was finally reached between the Ethiopian government and the rebels. I think this shows that donor countries did try to bring the two sides to reopen the port so that the greatest number of people could be reached and helped. I personally met, a day or two ago, with a coalition of NGOs returning from Ethiopia and discussed with them so as to respond effectively to the Ethiopian crisis in the months to come. We will also go on cooperating, as we did last year, with the international community and the Canadian ONGs through which most of our food aid reaches the Ethiopian people, to provide as much assistance as possible to the Ethiopians.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, our world has completely changed during the year now drawing to a close. But what we must realize as well is that the world is not only a big market but also a big family. I have just referred to the famine which is destroying certain regions of Africa while we here in Canada stare at huge accumulating wheat surpluses. My question is simple: Will the government give these surpluses to the people who are now starving in Africa?

Hon. Monique Landry (Minister for External Relations): Surely, Mr. Speaker, my colleague is aware that if we are to provide assistance and food to distressed people in Ethiopia the donor countries have to co-ordinate their efforts to make sure that food assistance does get to the people. That would be our first consideration. We have assistance budgets and, as I have shown in recent years, we are prepared to buy the food and ship it to Ethiopia. I am sure my colleague knows that the on-going war often made it impossible for us to reach the people involved. In the past few years we agreed to deliver food through the means available to us and other donor countries, either via the south road or through cross border operations. But it is not a simple matter of shipping more wheat and foodstuffs, we have to make sure assistance will get to the people.

This is why I sought the co-operation of non-government organizations to gather the necessary information and bring pressure to bear on the party involved. Our efforts have been successful in the case of the re-opening of the Massaoua harbour. This amounts to a major victory for the international community, because we

know we will have new mechanisms to with which deliver the food supplies.

* * *

EMPLOYMENT

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. Over the past two years, 14,000 jobs were lost in 63 Montreal businesses. The rate of unemployment has now reached 11.7 per cent in Montreal, the highest municipal rate in Canada. Given this, is the minister prepared to meet Quebec government officials and the Mayor of Montreal to determine an action plan to create full time and indeterminate jobs? Is she willing to take these steps now?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, many steps were taken in Montreal, as in the rest of the country.

• (1440)

[*English*]

I would like to mention one industry in Montreal in particular which is doing very well and that is the pharmaceutical industry. Thanks to the legislation of this government, which the hon. member said was going to lose jobs, it has created hundreds of jobs in Montreal, including hundreds of research jobs in Montreal.

Some hon. members: Hear, hear.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, that answer will not satisfy the unemployed in Montreal, the rate of which is higher than any other city in Canada, including St. John's, Newfoundland.

Next month, 1,100 workers at Pratt & Whitney in Longueuil will lose their jobs. They do not need training. They want jobs.

What is the minister going to do for these workers? They do not want to hear rhetoric, they want some action.

Some hon. members: Hear, hear.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, training and jobs go together. That is why the pharmaceutical industry is such a good example. It requires skilled jobs. The jobs are created and we have the programs to train people to take those jobs. We cannot have one without the other.

We have in this country, not only a need for jobs, but we have a need for skills. We have a mismatch between those jobs that are available, and the skills available. Clearly, the hon. members on the other side, who have held up our capacity to do this for so long, do not want to listen because they just keep talking.

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

* * *

[*Translation*]

POVERTY

Mrs. Albina Guarnieri (Mississauga East): Mr. Speaker, my question is for the Minister of National Health and Welfare. The National Council of Welfare, which is an advisory body to the minister, tells us that the vast majority of the 1.9 million Canadians who rely on welfare are children, disabled people and single–parent families with incomes up to 50 percent less than the poverty line. During that time, the government refuses to pay its fair share of the costs of welfare, especially in the province with the most new cases.

I would ask the minister to tell the victims of this government's economic mismanagement why it has given up on them.

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, if the hon. member were being at all fair and accurate, she would not use terminology such as abandoning people.

This year alone, some $5.8 billion will be transferred to the provinces under the Canada Assistance Plan. The hon. member will also be aware of the fact that since the Liberal government was turned out of office, a significant number of Canadians, almost 1 million, have risen above the low–income cut–offs and about one–third of those are Canadian children. In a number of important areas, this government has taken initiatives in order to improve employment opportunities for Canadians and improve social benefits for Canadians.

When it comes to dealing with the problems of the poor or of any socially progressive movement, the Liberal Party talks yes, but it votes no.

Some hon. members: Hear, hear.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, this year, half a million Canadians turned to food banks each month in the hope of surviving the last two years of this government.

Will the minister commit today to visit some of the nation's 200 food banks during Christmas so he can see first-hand the poverty that his government has so callously ignored?

Some hon. members: Hear, hear.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, not only do I make a practice of visiting facilities across the country which serve Canadians—whether they be food banks, child care centres or a whole range of other facilities—but I think it is important as well that the hon. member take advantage of the coming season to visit with some of the Canadians who have found jobs in the last six years.

The hon. member should meet some of the mothers who, for the first time, have been able to find employment, who have seen their children rising out of poverty, and who have seen a doubling of the child tax credit. She should talk with Canadians who for so long languished under Liberal complacency and who saw opportunities presented to them as more than one million Canadians have found new jobs.

Some hon. members: Hear, hear.

* * *

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, today yet another independent agency, the Toronto Dominion Bank, came out with a report that said: "This is the second worst recession since World War II". It blames, and again I quote: "federal government policies implemented by the Bank of Canada".

My question is to the Minister of Finance. Now that the United States has cut its bank rate to 6.5 per cent, even though the United States inflation rate is higher than here in Canada, will this government cut interest rates here in Canada in a major way so as to help the hungry and the unemployed in this period of despair as Christmas comes forward?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have been cutting interest rates on a very regular basis starting back in May of this year when the Bank of Canada rate was 14.05 per cent. Last week it was 12.01 per cent. It will be lower tomorrow when the treasury bill auction takes place.

We have been responding to the weakness in the economy with a continuous reduction in interest rates. As I responded to a previous questioner, the interest rate spread between the United States and Canada has narrowed by some 150 basis points during the same period of time.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my supplementary is to the Minister of Finance. I think we have seen clear that this government has failed to protect those who will suffer from this recession in which we are living clearly.

Over 17,000 Canadians use food banks every day, 500,000 a month. That is up 30 per cent over last year. Over 1.9 million Canadians live on welfare. Instead of offering a helping hand to Canada's poor, this government has handed them a kick in the teeth by placing a cap on the Canada Assistance Plan.

At this time of Christmas, with a hard winter ahead and with poverty and hunger increasing dramatically in this country, will the minister just once change his mind, do just one thing to help Canada's poor and take the cap off the Canada Assistance Plan?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the cap on the Canada Assistance Plan is a cap of an increase of some 5 per cent over last year in the three most prosperous provinces in Canada.

In his province, for example, there is no cap whatsoever on the Canada Assistance Plan. This year, we will be transferring to the provinces some $5.8 billion in terms of assistance under the Canada Assistance Plan.

It is time for members of the opposition to be honest with Canadians. In view of the fact that every Canadian has in their name in Ottawa a share of the national debt amounting to some $13,000, is it his recommendation, and the recommendation of the NDP that we should

continue to run up that debt and simply pass on the bill to our children?

* * *

CANADIAN BROADCASTING CORPORATION

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Minister of Communications. It concerns the sudden shutdown of the CBC television station in Sydney.

With the closing of VIA Rail, the Canadian Armed Forces base, cuts to Air Canada and the gutting of the Atlantic fishery, the economy of eastern Nova Scotia is in tatters.

The closing of this television station means the loss of dozens of jobs and deprives the people of my riding and that of all Cape Breton of a special link with the rest of the country.

Why is the minister so intent and determined to dismantle another national institution and take away more jobs from an area that is already suffering tremendous economic hardship?

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, several study groups studied and recommended the reorganization of the CBC and the Corporation took steps to accomplish just that. I will be happy to explain in greater detail the basis of this decision tomorrow, when I testify before the parliamentary committee.

[*English*]

Mr. David Dingwall (Cape Breton—East Richmond): My supplementary is to the same minister. The minister will know that the primary tool to facilitate and enhance national unity has been the CBC. Canadians in the poorer regions of this country want to know from this government how it will achieve this vital objective when, in fact, it shuts down those institutions that in effect bind all Canadians together. Why is the minister so intent and so determined to shut down this national institution, the CBC, which can and has facilitated national unity in this country?

• (1450)

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, the government always looked upon the CBC as a government agency with an important role to play, as evidenced by all the programs made available to the Canadian people. With that in mind, the government always made sure that the average increase in the global revenues of the Corporation was higher than the combined average for government programs as a whole. However, this does not preclude the CBC—as any private network, newspaper and daily paper in Canada and in most Western countries—to adjust to market conditions because our nation may be predicated on unity, but it is also predicated on free market, Mr. Speaker.

* * *

[*English*]

HOSTAGES

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to pose a question to the Secretary of State for External Affairs.

All Canadians have a great admiration for the character and determination showed by the Canadians who were held hostage in Iraq and Kuwait. I think we are all very pleased that they are now home for Christmas. I want to say that for many of them the trauma they experienced did not end with their release. Many of them are now suffering very serious economic hardship because they had to leave their jobs and assets. Some are having a very trying time making a personal adjustment after their difficult experience.

Is the Secretary of State for External Affairs prepared to offer services and resources by the government to help these very brave Canadians in their adjustment back to Canada, including writing off the travel costs which External Affairs has imposed upon them in terms of their return from Iraq and Kuwait? Could the minister give that undertaking in the House today?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there is no doubt that everyone admires the courage of the Canadians who were trapped in Kuwait. There is no doubt that everyone in this House

is very gratified that the very strong and unflinching position taken by the international coalition led to persuade Saddam Hussein to release all of the hostages.

The hon. member raises a question as to whether or not Canada should, in this particular instance, change a policy that has been applied without variation since 1961, a policy that was applied without variation during circumstances when difficult questions arose while the member who poses the question was a member of a government which applied that policy without variation.

The member knows that the arguments made against changing the policy when he was a minister were as valid as they are today. I have considered the question as to whether we should change because of the unusual pressures upon these Canadians, a policy which the hon. member respected when he was a member of a government and which other governments have for nearly three decades now. My view is that we should not change that policy. Naturally, if there are some particular circumstances that the hon. member would want to draw to my attention, I would be prepared to look at them.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, to make the record correct, in our time in government we did not experience the kind of hostage taking that Canadians have experienced in the last period of time in Iraq and Kuwait. I think this is a special circumstance and I would sincerely ask the minister to reconsider his position and the position of the government. I ask him in specific terms if he would have his own officials undertake to contact each of the hostages and their families directly to determine what the nature of their economic and personal circumstances might be and whether in fact some resources, some help or some way of helping them to come back into the country can be offered and also gain from them the kind of information and experience that they had, especially in Kuwait in light of what we heard about atrocities and economic sanctions?

These Canadian hostages are a valuable resource to Canada. I think Canada should be treating them properly. I ask the minister to reconsider his position and give these Canadians the proper deference and the proper credit they deserve for what they did for this country.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I have answered most of that question. I said that I have considered very seriously whether we should change a policy that was respected by the Liberal Party and by ours, respected by the hon. member when he was a minister, with respect to the principle that there would not be compensation for Canadians who were caught in extraordinary circumstances abroad. I also told him that I would be prepared to look at any serious proposal that he put forward.

With respect to the other part of his question, I think it would be very helpful to my department, and perhaps a subsequent report to Parliament, to consult with the Canadians who were prisoners in Kuwait and in Iraq. I have instructed my officials to undertake that kind of consultation, particularly with a view as to gaining their information on the situation in that region and their view as to improvements that might be made in the way Canada responds to circumstances of that kind should, God forbid, such circumstances occur again.

I think it is particularly important to do that, Mr. Speaker, in light of the recent report by Amnesty International, whose commentary upon the atrocities committed by Iraq in Kuwait should cause great concern to everyone in this House. Very often we neglect the fact that this crisis exists because a war was begun by Iraq against Kuwait and the most cruel kind of treatment is being imposed upon the people of Kuwait.

* * *

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I have a question with respect to the final, final round of the GATT negotiations which are now being arranged for Geneva early in 1991 to break the deadlock in the agriculture panel and in the services panels.

Is our government still working toward the inclusion of agriculture in the GATT rules? What changes to our October 15 position are we proposing in an effort to get an agreement? What other actions is Canada taking in order to resolve the current impasse?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, as I think has been indicated here this week, we are still of course fully engaged in attempting to resolve the problems that developed in the latter stages of the Uruguay Round at Brussels two weeks ago. That process is continuing. I am keeping in touch with other trade ministers, particularly from the United States, the European Community and other countries. I am hopeful that certainly by the end of February that the round can be successfully completed. Whether that will be so or not, of course only time will tell.

We have not changed our own position, but we are prepared certainly to review it. We are reviewing it and we are prepared to be flexible if other people are prepared to be flexible as well. That is what is necessary if there is to be a resolution of these problems.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, does the government prefer to have a solution that will freeze and reduce the export subsidies or is it seriously looking at the kind of proposal that Premier Grant Devine put forward of having a food tax to finance the further subsidization of food production in this country?

Hon. John C. Crosbie (Minister for International Trade): I do not know, Mr. Speaker, whether the hon. gentleman is in favour of a food tax. When we mention taxes around here usually they turn purple in the face at the very mention of a tax. We will take the hon. member's suggestion that there should be a food tax imposed in Canada under consideration. But it would not be for very long, I am afraid, Mr. Speaker, before we would be forced to reject that.

With respect to the negotiations on agriculture, to have a solution to that, the GATT rules must apply to agriculture. We must have a definite position taken by the countries concerned with export subsidies, border measures and internal support, otherwise the final outcome could be negotiated. But the parameters are very clear. There must be a definite commitment with respect to those areas.

* * *

EXPORT AND IMPORT CONTROLS ACT

Mr. John Reimer (Kitchener): Mr. Speaker, I rise to ask the Minister for International Trade a question regarding a matter that has significant implications for Canada's defence industry. Provisions of the Criminal Code effectively inhibit Canadian industry exports to our friends and allies.

• (1500)

The government has been repeatedly requested by affected Canadian industry to bring forward legislation to permit these exports, subject of course to strict controls under the Export and Import Permits Act.

My question to the minister has two parts. First, will the government introduce such legislation and, second, if so, when?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman is well aware of the problem that exists with reference to one of our export industries. I think one of those concerns is located in the hon. gentleman's district. He has been very diligent in bringing forward the problem and in urging a solution.

The answer is that legislation is prepared and will be introduced shortly after the House returns.

* * *

MEDICAL EMERGENCIES

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, my question is for the Minister of Transport. Some 77 persons on average die world-wide each year of cardiac arrest while aboard commercial aircraft. Many European airlines provide the defribillaters for medical personnel aboard flights in case of emergencies.

What is the minister doing about the need for defribillaters and other life saving medical supplies on board our passenger airlines?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my friend raises an important issue which probably arises as a result of a very unfortunate incident this last weekend.

I have reviewed the situation, and I have asked my officials to begin to prepare the necessary amendments to the air navigation orders to require that flight attendants be trained in CPR.

My hon. friend makes an additional suggestion. I will take that up with my officials in the airlines and get back to him.

[*Translation*]

Mr. Speaker: The hon. member for Shefford, only one question, please.

* * *

THE CONSTITUTION

Hon. Jean Lapierre (Shefford): Mr. Speaker, in the absence of the Prime Minister, I direct my question to the Minister of Justice. Being aware of the speech delivered by the Prime Minister at Buckingham and the representations made by Jean Chrétien before the Bélanger–Campeau Commission, as the constitutional issue stands now, can the minister tell me whether they amount to the same thing? Could she tell me the difference between the constitutional position of Jean Chrétien and that of Brian Mulroney?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): This is a challenging question, Mr. Speaker, and I could respond in more detail if we had a few hours to spare. But the answer is simple, Mr. Speaker. The Prime Minister has a vision of Canada and he has always tried to achieve it. I think he made the necessary efforts to hold the country together during the Meech Lake Accord process and that he will continue to work to that end, Mr. Speaker.

* * *

[*English*]

SENATE REFORM

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I want to wish you a Merry Christmas. In that light I appreciate very much the opportunity from this row to ask a question and further the answer of the Minister of Justice as to the mandate of the Prime Minister.

Since there is no minister here for interprovincial or interfederal relations—that minister is in the Senate, wherever he may be—I ask the question of my old friend, the Acting Prime Minister in a semi-serious way. I hope that there will be some consideration of this question, as there are many things to consider over the break.

Since we have finished the circus in the Senate, with all of that disgraceful situation, my question is for the Deputy Prime Minister, the Prime Minister and/or whoever is the minister in this House for federal–provincial relations. I hope some day there may be a minister in this House for federal–provincial relations.

This is the last question before Christmas. Will the Deputy Prime Minister seriously consider something that is not going to ever be resolved unless we consider this question? The question is this: forget about constitutional reform, will this House of Commons, in the new resumed session after Christmas, decide to have *de facto* Senate reform by cutting off the Senate water, the Senate electricity, and the Senate money so that we do not have to worry about Senate reform?

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Mr. Speaker: How that meets the spirit of Christmas I do not know, but the minister may want to reply.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, first of all I would like to return the hon. member's wish to the House for good cheer and hope that he will enjoy his share of it in the course of the holidays.

I can advise the hon. member that it is not the plan of the government to do anything to try to deprive the members of the other place of any of the requisites necessary to do their jobs, however those may be defined.

[*Translation*]

Mr. Speaker: I should like to take a moment to express to my colleagues—

[*English*]

A very sincere wish to all of you and to all of your families for a happy Christmas and a good new year and I include in that a wish for our country.

There will of course be this afternoon from four o'clock on a reception in the Speaker's chambers, and I would like to invite all hon. members to join with me.

I thank you for your help and co-operation during the year.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 76 petitions.

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

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ORDER IN COUNCIL

TABLING AND REFERENCE OF APPOINTMENTS

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

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OFFICIAL LANGUAGES

TABLING OF SECOND ANNUAL REPORT

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I am very pleased to table today, in both official languages, the second annual report to Parliament on matters relating to official languages, for which I am responsible.

[*Translation*]

This report I am tabling pursuant to section 44 of the Official Languages Act relates to the 1989–90 fiscal year.

[*English*]

INDIAN ACT

REPORT ON IMPACT OF BILL C-31

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, a report on the impact of the 1985 amendments to the Indian Act, Bill C-31, on Indian communities and the individuals.

* * *

[*Translation*]

INTERNATIONAL LABOUR CONGRESS

TABLING OF DOCUMENT ADOPTED AT 76TH SESSION

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table in the House, in both official languages, copies of a document entitled "Canadian situation as regards the indigenous and tribal peoples' convention (No. 169)" adopted at the 76th session of the International Labour Congress in June 1989.

* * *

• (1510)

PROTECTION OF ARCHAEOLOGICAL HERITAGE

TABLING OF DRAFT BILL

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table for consultation purposes, in both official languages, a draft bill on protecting our archaeological heritage.

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FRENCH CONSTITUTIONAL DRAFTING COMMITTEE

TABLING OF FINAL REPORT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, pursuant to Standing Order 32(2), I have the privilege of tabling, in both

official languages, the final report of the French Constitutional Drafting Committee Responsible for Providing the Minister of Justice of Canada with a Draft Official French Version of Certain Constitution Enactments.

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INTERPARLIAMENTARY DELEGATION

PRESENTATION OF ELEVENTH REPORT OF CANADIAN SECTION OF IAFP

Mr. Jean-Robert Gauthier (Ottawa--Vanier): Mr. Speaker, pursuant to Standing Order 34, I take pleasure in presenting to the House, in both official languages, the eleventh report of the Canadian Section of the IAFP. This report concerns the activities of the Commission on Parliamentary Affairs which I had the honour to chair and which met here in Ottawa from October 10 to 24 this year.

[*English*]

REPORT ON SPEAKER'S VISIT TO POLAND

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 34, I have the honour to present to the House, on behalf of the Speaker, the report of the Speaker's visit to Poland in November.

* * *

COMMITTEES OF THE HOUSE

STRIKING--61ST REPORT

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the 61st report of the striking committee.

This report deals with the membership of the special joint committee established pursuant to the special order adopted by the House on Monday, December 17 of this year. Upon presentation this report is deemed adopted.

[*Translation*]

BRETTON WOODS AND RELATED AGREEMENTS ACT--TABLING OF REPORT OF LEGISLATIVE COMMITTEE

Mr. Guy Ricard (Laval-Ouest): Mr. Speaker, I have the honour to table, in both official languages, the report of the Legislative Committee on Bill C-93, an act to amend the Bretton Woods and Related Agreements Act, without amendments.

I would like to take this opportunity to thank all members of the committee, senior officials of the Department of Finance, and our clerk, Ms. Sirpaul, and all research assistants and support staff who worked until late last night so that we could table this report today. To all, a Merry Christmas and a Happy New Year!

[*English*]

HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS--FIFTH REPORT OF STANDING COMMITTEE

Mr. Bruce Halliday (Oxford): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Human Rights and the Status of Disabled Persons dealing with the issue of human rights and the provision of Official Development Assistance to Guyana.

JUSTICE AND THE SOLICITOR GENERAL--SIXTH REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Mr. Speaker, I have the honour to present the sixth report of the Standing Committee on Justice and the Solicitor General, in both official languages.

If the House gives its consent, I intend to move concurrence of this report later this day.

JUSTICE AND THE SOLICITOR GENERAL--SEVENTH REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Mr. Speaker, I also have the honour to present the seventh report of the Standing Committee on Justice and the Solicitor General, in both official languages.

If the House gives its consent, I intend to move concurrence of the report this day also.

PUBLIC ACCOUNTS--NINTH REPORT OF STANDING COMMITTEE

Mr. Len Hopkins (Renfrew--Nipissing--Pembroke): Mr. Speaker, I have the honour to present the ninth report of the Standing Committee on Public Accounts. In so doing, I would like to make the following remarks.

The ninth report of the Standing Committee on Public Accounts, which I have the honour to table today, relates to serious weaknesses in financial management and control in the Department of External Affairs. In particular, the department has failed properly to control accountable advances to employees to such an extent that approximately $25 million in advances were outstanding on March 31, 1990. These advances to employees relate to a variety of purposes including vacation leave, family reunion travel, educational travel, medical travel, et cetera.

Half of these are overdue and in many cases should have been repaid long ago.

The Acting Speaker (Mr. Paproski): You are just tabling a report. I am sorry, I will allow the hon. member to bring it up to the table.

Mr. Hopkins: Mr. Speaker, if I may on a point of privilege, it is normal when tabling a public accounts report to give an explanation of that report.

The Acting Speaker (Mr. Paproski): Yes, I agree, and the hon. member who has been here for a long time realizes that, and I realize that. But, it should be a short report.

Mr. Hopkins: Mr. Speaker, I will abide by your ruling, but the records will show differently.

In these times of fiscal restraint and high deficits, the annual interest cost alone in these overdue advances may amount to $1.5 million. This is a burden that taxpayers should not have to carry.

The real problem is a lack of professional standards in its accounting operation within the department, and the department must ensure that these standards are achieved and maintained in all areas of financial management and control.

The committee has asked for an early response for the department by January 31, 1991 and has asked the Auditor General to assess this response on behalf of the public accounts committee.

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

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BANK ACT

MEASURE TO AMEND

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved for leave to introduce an act entitled an act respecting banks and banking.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): On division? Agreed on division.

Mr. Loiselle moved that the bill be read the first time and printed.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): Carried on division.

Motion agreed to, bill read the first time and ordered to be printed.

[*Translation*]

Mr. Masse: Mr. Speaker, although normally 48 hours' notice is required, I wish to ask the unanimous consent of the House to table a bill for first reading.

[*English*]

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

[*Translation*]

Mr. Lapierre: Mr. Speaker—

The Acting Speaker (Mr. Paproski): The hon. member for Shefford.

Mr. Lapierre: I realize the minister wishes to table a bill, but I wish he would specify which bill before asking for our consent.

Mr. Masse: I don't know what the exact procedure is, but in any case, this bill—

* * *

[*English*]

STATUS OF THE ARTIST ACT

MEASURE TO ENACT

Hon. Marcel Masse (Minister of Communications) moved for leave to introduce Bill C–96, an act respecting the status of artists and professional relations between artists and producers in Canada.

Motion agreed to, bill read the first time and ordered to be printed.

• (1520)

[*Translation*]

REVIEW OF PARLIAMENT OF CANADA ACT

SIXTH AND SEVENTH REPORT OF SPECIAL COMMITTEE CONCURRED IN

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I move that the Sixth and Seventh Report of the Special Committee on the Review of the Parliament of Canada Act be concurred in.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

[*English*]

COMMITTEES OF THE HOUSE

AUTHORIZATION TO PRESENT REPORTS DURING RECESS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I have a motion concerning the usual practice of allowing committees to report at times when the House is adjourned. The motion is the following:

> That notwithstanding the usual practices of this House, if the House is not sitting when reports of all committees are completed, the committees may report their findings by depositing their reports with the Clerk of the House and the reports shall thereupon be deemed to have been presented.

The Acting Speaker (Mr. Paproski): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): Consent on division. The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

NATIONAL DEFENCE AND VETERANS AFFAIRS

AUTHORIZATION FOR COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I also have a motion concerning travel for the Standing Committee on National Defence and Veterans Affairs as follows:

> That members of the Standing Committee on National Defence and Veterans Affairs or their respective substitutes be authorized to travel to Brussels, Vienna, Bonn, Budapest, Prague and Canadian forces bases in Germany for a period of not more than three weeks between January 15 and February 15, 1991, in order to determine the implications for Canada of European security developments and that the necessary staff do accompany the committee.

The Acting Speaker (Mr. Paproski): Does the hon. parliamentary secretary have unanimous consent to move the motion?

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): Consent on division. The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion? A point of order, the hon. member for Regina—Qu'Appelle.

Mr. de Jong: Mr. Speaker, there is something I do not understand. You are asking the House if the hon. member has unanimous consent. Somebody yells no and then you say it is passed on division. I do not understand.

If unanimous consent is required and there is somebody who yells no, then obviously it is defeated, is it not?

The Acting Speaker (Mr. Paproski): I will put the motion again. Is there unanimous consent for the hon. parliamentary secretary to move the motion?

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): There is no consent. The hon. parliamentary secretary to the government House leader.

Mr. Cooper: Mr. Speaker, surely we have the right to introduce a motion at this stage and to ask that it be put to the House. As I understand it, we are quite able to proceed. The answer could be that it is passed on division, but certainly that would be within our rules. I do not know if the NDP are refusing to let a committee travel. I would have some problems with that.

The Acting Speaker (Mr. Paproski): The hon. member for Kamloops on a point of order.

Mr. Riis: Mr. Speaker, I am responding to my hon. friend who somehow implied that the New Democratic Party caucus was not supportive of this work. I take personal offence at that kind of comment because he knows it is not the case. The point is that when unanimous consent is sought, it must be obtained before we can proceed. If someone says nay, that ought to end the discussion.

Mr. Hawkes: Mr. Speaker, the standing committees of the House were given special responsibilities under the reform of Parliament in 1985. One of those responsibilities involves taking any planned for activity involving the expenditure of public funds, and in particular travelling outside of the country, first of all, to the liaison committee of chairpeople which covers the span of this Chamber, to seek permission for a budget, and subsequently to go to the House leaders of the parties for permission to move a motion.

The House has reserved for itself the right to divide on the issue of whether or not those plans should be approved or not. But just as we believe that members have the right to introduce bills at first reading and should not be blocked in the introduction until we have seen it, all the parliamentary secretary is seeking at this stage is permission to share a motion with the House. If the House wishes to divide, then the House has that right.

Surely we do not want to block the introduction of motions relating to the work of the standing committees of the House. If we do not allow the motion to be put in one case where they have worked in a planning and development sense, they will have to cancel almost a year of effort on behalf of those members who intend to travel before this House will meet again. It is being blocked by somebody who simply refuses to allow the House to divide on the question. I suspect the will of the House is to approve it. But surely no one in this Chamber wants to block that kind of long-term effort on behalf of the standing committee. If we do the House is in a real pickle in the future.

The Acting Speaker (Mr. Paproski): As there was no notice given, I must request consent again. Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): No. On division? There is no consent.

* * *

HON. JOSEPH SMALLWOOD

90TH BIRTHDAY

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I believe you will find agreement to deal with the following motion which it is my great pleasure to move, seconded by my friend from St. John's West, our benevolent and beloved trade minister, and my friend from Kamloops.

I also want to acknowledge the co-operation of the hon. members for Shefford, Beaver River and Annapolis Valley—Hants.

Joey Smallwood, the former Newfoundland premier will be 90 years old this coming Tuesday, Christmas Eve. I went to see him a couple of weeks ago. He is in great shape, good humour and very alert. At this time I want to give the House the opportunity to salute the man who played such a vital role in bringing together in 1949 two great dominions, the Dominion of Canada and the then Dominion of Newfoundland.

So, it is my pleasure to move:

> That this House, on behalf of the people of Canada, and particularly on behalf of the people of Newfoundland and Labrador, express its esteem and its appreciation to the Hon. Doctor Joseph Robert Smallwood, the only living Father of Confederation for his distinguished career in the service of the people and for his historic contribution to Canada.

The Acting Speaker (Mr. Paproski): Does the hon. member have unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): On a point of order, the hon. member for Shefford.

Mr. Lapierre: Mr. Speaker—

The Acting Speaker (Mr. Paproski): I am sorry, the Minister for International Trade.

• (1530)

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, in connection with the motion just moved, of which I was a co-sponsor, I want to say that the person whom we are honouring in this motion had a distinguished political and public career in two countries, Newfoundland and Canada.

I am delighted to have the chance to join in this expression of goodwill towards him, even though at times in the past, he has addressed me most severely. I join in the general admiration of his contribution to this country and to his province.

Some hon. members: Hear, hear.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on behalf of the New Democratic Party caucus, I am pleased to second this motion. We all remember vividly the work that Joseph R. Smallwood did on behalf of the people of Newfoundland.

As a man who had a vision in terms of bringing Newfoundland into the Confederation of Canada and a nation-builder in terms of Canada as well as Newfoundland, I think we would be well advised to recall the approach that he often brought to those difficult discussions at that time, particularly in this time of nation-building ourselves.

The Acting Speaker (Mr. Paproski): The hon. member for Shefford on a point of order or on the same motion.

Mr. Lapierre: On the same motion, Mr. Speaker, since you did not recognize my point of order for which I had the floor.

The Acting Speaker (Mr. Paproski): The hon. member should know that there is such a thing as decorum in this House, and when a minister rises, I recognize the minister first before I recognize the hon. member.

An hon. member: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Paproski): Is the hon. member rising on a point of order or is he replying to this motion?

[*Translation*]

Mr. Lapierre: Mr. Speaker, I support the hon. member from Newfoundland, because Joey Smallwood was one of the first to use the referendum formula. I can assure you, Mr. Speaker, that the Smallwood precedent will be followed in reverse, with far more conclusive results and with no need for two referendums.

[*English*]

Mr. Pat Nowlan (Annapolis Valley—Hants): Like my friend before me, Mr. Speaker, I will be very short. I certainly support the motion. I was consulted beforehand.

What I want to let the House know—especially the other side of the House—is one of the reasons that Joey Smallwood, one of the original fathers of Confederation, is the character he is, is the fact that he reached across many political boundaries.

I know, when it comes to the Newfoundland, political boundaries sometimes merge and dissolve. I just wanted to compliment the mover of the motion and the seconder to let people know in the House, especially on the government side, that here we have, in the best ecumenical way, the member for Burin—St. George's moving a motion and the member for St. John's West seconding it.

In conclusion, most members on the government side do not appreciate that many years ago there was a fellow called Brian Peckford who put in nomination the name of John Crosbie to run against the man we are now honouring, Joseph Smallwood.

In terms of the Christmas season, it is interesting and educational for government members to know that there can be many multitudes of cross-currents, so that one does not have to live and die one way or the other.

Some hon. members: Hear, hear.

Mr. Nowlan: Brian Peckford put in nomination John Crosbie's name against a fellow called Joey Smallwood whom we are honouring today. I am glad we are, but let the government members not forget that there can be switches too.

Some hon. members: Oh, oh.

Some hon. members: Order.

Mr. Nowlan: Order, you say. The orderly way is what we have done today.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I would just make it very clear that it is not my intention to deny unanimous consent, but I know one of my colleagues from Newfoundland will know perhaps why I am rising.

I cannot personally support the motion out of respect for some of the activities of Mr. Smallwood over the years, but because it is Christmas I will not deny unanimous consent.

Anyone who has been a long-time member of the International Woodworkers of America will never forgive a premier who was the only premier in the history of Canada ever to banish a free trade union from the entire province of his jurisdiction. For that I will never forgive him.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, Joe Smallwood is a constituent of mine. Joe Smallwood is a man who I, as a very little boy and a student, used to visit just to talk about the history of Newfoundland and some of the things in the future.

Perhaps the biggest compliment that we could pay to him today is the nature of the debate we have heard in the last five minutes. For the man who is living on the Roaches Line in Newfoundland to inspire the controversy in the House some 90 years after he was born, this may be the biggest compliment to him.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): Does the hon. member have unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

[*Translation*]

Mr. Lapierre: Mr. Speaker, unanimous consent was denied three times during the last few minutes before this motion was agreed to. I would like to know why, when the Chair asks for unanimous consent and it is denied, the motion is carried just the same. Could the Chair indicate on which Standing Order its decision was based? We had no prior notice of these motions, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Paproski): I would like the hon. member to come to the table so that I may discuss it with him and the clerks before we make a decision on it. It was adopted on division. He can come to the table and we can discuss it a little further.

Ms. Copps: Mr. Speaker, following the point of order that was raised by my hon. colleague, the member for Shefford, I, too, would like to raise a point of order. In explaining the Chair's position, as I understand it— and I may have misunderstood—the Chair stated that the reason that the member for Shefford was not recognized on a point of order was because the minister stood and every time a minister stands in the House, the minister must be recognized.

I understand, Mr. Speaker, and correct me if I am wrong, but in a point of order it is always the person raising the point of order who is recognized before the mover of another motion and, in particular, when there has not been a formal notice of motion given.

I may not agree with the point raised by my hon. colleague from Shefford, but the fact is that everybody in the House is supposed to be treated equally and, if somebody has a point of order, the point of order has to be heard before they can be denied out of hand. You cannot rewrite—

The Acting Speaker (Mr. Paproski): I would like to say to the hon. member that I saw the hon. minister rise and I saw the hon. member for Shefford rise. I did not know whether the hon. member for Shefford was rising on this motion or on the motion regarding Mr. Smallwood. Therefore, I recognized the hon. minister in that respect. That was the reason I did it.

I will recognize the hon. member for Gander—Grand Falls on the same point of order, and then I will recognize the hon. member for Shefford.

Mr. Baker: On the same point of order, Mr. Speaker, it is correct by custom that, when two persons rise in their places, from custom the Speaker does recognize the one who is a cabinet minister.

As far as the business that was raised concerning unanimous consent, perhaps if members could be a little

quieter in the House the Speaker could hear them when they object to this request for unanimous consent.

[*Translation*]

Mr. Lapierre: Mr. Speaker, the only thing that bothered me in the decision you made earlier, and I am sure *Hansard* will bear me out, is that you recognized me, you gave me the floor and then at your request I had to yield to a minister. I would like to know whether every time a minister asks to be recognized, you will ask us to yield the floor.

• (1540)

[*English*]

The Acting Speaker (Mr. Paproski): I would like to thank the hon. member for Gander for his comments.

I would like to say to the hon. member for Shefford that that is not the way it happened. If he would like to come to my chamber, I will discuss it a little further with him. That was not the way it happened. We do have decorum in here.

I would also like to thank the hon. member for Hamilton East, but this is not the Ontario Legislature either. She has been here for six years. She realizes that when a minister does rise and a private member rises, as far as decorum in the Chamber is concerned, we usually give precedence to the minister.

[*Translation*]

Mr. Lapierre: The house is my witness, Mr. Speaker. There might have been some confusion in your mind, but my microphone was on and I had the floor. I would not want precedent to be created by which a private member has the floor and you take that right away from him or her on a sign from a minister. I suggest we should refrain from creating such precedent in this House. I swear, Mr. Speaker, on my children's life, that I did have the floor and that the light on my microphone was on.

[*English*]

Ms. Copps: Mr. Speaker, I would like some clarification. Notwithstanding the points of view expressed by anybody in the House, it is important that we have the same rules for everybody.

I am concerned that, according to the Standing Orders, when a point of order is to be raised during the debate, a point of order is recognized over and above any other debate in the House. That has been a long-standing practice of the House.

It seems to me that on more than one occasion, the Chair seems to have selective memory—

Some hon. members: Order.

Ms. Copps: —when it comes to points of order from the opposition and the government. It may be the Bloc Quebecois today and it could be another party tomorrow. All I am asking is for equal treatment for everyone. I am sure it has nothing to do with where I came from. I have been in this place for six years. I have seen Speakers who have respected equal treatment, and I want to see the continuation of equal treatment.

The Acting Speaker (Mr. Paproski): I would like to thank the hon. member for her comments.

Motions.

* * *

JUSTICE AND THE SOLICITOR GENERAL

CONCURRENCE IN SIXTH AND SEVENTH REPORTS OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Mr. Speaker, the House does not seem to be in a very generous mood at this time, but if the House gives its consent, I move:

That the sixth and seventh reports of the Standing Committee on Justice and the Solicitor General, presented to the House earlier this day, be concurred in.

The Acting Speaker (Mr. Paproski): Does the hon. member have unanimous consent to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

Motion negatived.

* * *

PRIVILEGES AND ELECTIONS

CONCURRENCE IN 19TH REPORT OF STANDING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands) moved:

That the nineteenth report of the Standing Committee on Privileges and Elections, presented to the House on Friday, November 23, 1990, be concurred in.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Carried.

Motion agreed to.

Mr. Horner: Mr. Speaker, I rise on a point of order. I asked for consent. I did not ask for unanimous consent. Therefore, if there was a no, could we take that as permission on division?

The Acting Speaker (Mr. Paproski): The hon. member needs unanimous consent because it was only presented today.

Mr. Gauthier: Mr. Speaker, there are certain procedures at hand that the House knows very well. If somebody gives notice that he or she wants to move a motion later this day, meaning probably somewhere down the pipe, they can do that. At that time, we do not need unanimous consent because he or she gave notice.

In this case, I take it the member did not give notice because he could hardly have done so. He rendered the reports today. But his own side, his own Tories, refused him unanimous consent, not us.

Mr. Nunziata: Mr. Speaker, the hon. member from Mississauga sought the unanimous consent of the House for a motion for concurrence in a report from the justice committee, dealing with the Weir report and the escape of Daniel Gingras in Alberta.

You asked for unanimous consent, Sir, and let the record show that it was Conservative members of this House who denied the unanimous consent to deal with that important issue, an issue important to the residents of Alberta and, indeed, to all Canadians, and that was with respect to the massive failure of this government in the criminal justice system.

The Acting Speaker (Mr. Paproski): Are there further motions? We will proceed to petitions.

* * *

[*Translation*]

PETITIONS

ABITIBI-PRICE RESEARCH CENTRE IN JONQUIÈRE

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, pursuant to Standing Order 36, I rise to table before this House a petition signed by almost 18,000 people. It was sponsored by the leaders of the union of professional and office employees of Abitibi-Price in Jonquière, which has Mr. Daniel Maltais for president. All these petitioners call upon the Parliament to ensure that the management of Abitibi-Price will maintain their research centre in Jonquière.

Mr. Speaker, I also join the chorus of the people of my riding and all the employees of Abitibi-Price to urge the company officials to suit the action to the overtures they made recently to the effect of carrying out in Jonquière high quality research to meet their needs.

[*English*]

CANADIAN BROADCASTING CORPORATION

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition on behalf of some 8,000 citizens of Windsor and area. I believe that these 8,000 names will be part of 40,000 tabled today alone from the people of Windsor.

The petitioners ask that whereas the Canadian Broadcasting Corporation television station in Windsor is the only one located in the Windsor—Essex area, a region otherwise dominated by U.S. broadcast media and the station, therefore, provides a vital and irreplaceable service for the population of the area, the petitioners are urging this Parliament to request the CBC to do everything in its power to restore the television service to the Windsor area.

CANADA POST

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, pursuant to Standing Order 36, I have the distinct honour of presenting a petition on behalf of over 700 constituents from my great riding in northern Ontario, Parry Sound—Muskoka, with respect to the forthcoming closure of the Emsdale post office.

In approaching Parliament directly, the petitioners are expressing a widely held belief that rural Canada is being discriminated against by Canada Post's policy of rural post office closures.

The petitioners are humbly asking the Government of Canada to stop the further penalization of rural Canada by directing Canada Post Corporation to end its policy of rural post office closures. Further, in the rural areas already affected by the Canada Post policy, the petitioners respectfully request the reinstatement of the same level and quality of postal service in their communities as

had existed prior to the implementation of the corporation's policy.

• (1550)

YOUNG OFFENDERS ACT

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, pursuant to Standing Order 36, I rise today to present a petition from 6,300 of my constituents regarding the Young Offenders Act.

These constituents who are mostly around the town of Hagersville call on this government to revise the laws of Canada, to replace the Young Offenders Act with an updated Juvenile Delinquents Act with a lowered maximum age of 13 years.

The Acting Speaker (Mr. Paproski): I will recognize the hon. members on my right and then I will go to the left. The hon. member for Halton—Peel, and then the hon. member for Abitibi.

VIOLENCE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I have the pleasure of rising pursuant to Standing Order 36 to table petitions containing the names of more than 50,000 people, collected largely due to the efforts of Mr. Gordon Domm.

These individuals are concerned about the increase of violent crime in our society. They ask this Parliament to pass legislation establishing mandatory minimum sentences for all violent crimes which would apply uniformly to all regions of Canada.

These petitions come from the following communities: Niagara Falls, Brantford, Kitchener—Waterloo, St. Catharines, Hamilton, Burlington, Simcoe, Guelph, Lancaster, Kincardine, Ripley, Campbellville, Cambridge and Dundas, Ontario.

[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Pursuant to Standing Order 36, Mr. Speaker, I present two petitions from residents of Val-d'Or and Sullivan in Abitibi who ask that the Government of Canada shelve the project concerning the Parliament Hill sector. At a cost of $68 million, it provides for parking facilities and a shopping centre under the Canadian Parliament Buildings. They urge the government to consider the need to maintain as they are the environment and the historic character of the buildings and of the site of Parliament Hill in Ottawa.

The petitioners suggest that members keep their parking facilities as they are—parking spaces behind government buildings and outside like those of plant workers—and that the Canadian government has priorities other than building parking and shopping facilities on Parliament Hill.

[*English*]

FISHERIES

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I have the honour to present a petition at the request of the right hon. member for Vancouver—Quadra concerning the quillback rock cod, which is a commodity of high culture value to Vancouver's Chinese Canadian community.

The petitioners are asking the government to reverse its plans to reallocate quillback quotas. They ask the Minister of Fisheries, following a request from the right hon. member for Vancouver Quadra, to remember the importance of the quillback industry to the Chinese Canadian community of Vancouver.

CANADIAN BROADCASTING CORPORATION

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I have the honour today to share in petitions that are coming from Essex County and the city of Windsor. The residents there feel very much cut off from Canada with the cuts that have occurred in the CBC station in Windsor. They feel that they are inundated with American news broadcasts from directly across the border and in a very special way they have lost their contact with the local media, and local television.

They feel that the broadcasts out of Toronto are not answering local needs, nor giving the Canadian viewpoint to these residents. They humbly ask this government to do all that it can to restore the CBC station in Windsor. They ask the government to make sure the funding is available for them so that that station may be brought back, as well as communications throughout Canada to the level it should be.

[*Translation*]

HERITAGE LANGUAGE TEACHING

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Pursuant to Standing Order 36, Mr. Speaker, I am pleased to present a petition from hundreds of people concerning the cancellation of the cultural enhancement program of the Minister of State for Multiculturalism

and Citizenship, a decision which will have a disastrous impact on the quality of teaching in our heritage language schools.

[*English*]

GOODS AND SERVICES TAX

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Pursuant to Standing Order 36, I wish to present a petition signed by several members of the Ottawa area asking that Parliament reaffirm the historic principles embodied in the tax-free status for the printed word by retaining the zero rate in GST legislation and regulations.

VOLUNTEER FIRE DEPARTMENTS

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, I have a petition in proper form. It is a little different perhaps than some other petitions in that it is in reference to volunteer fire departments, their members and the income tax receipts they are allowed, presumably to help them remain volunteer firemen. They do not get paid in that endeavour. According to section 61(b)(viii) of the Income Tax Act they are allowed to issue them with a receipt but the fact is that the receipt was $300. In 1980-81 it was raised to $500 and it has not been touched since. They petition the government to review that income tax procedure to allow volunteer fire departments to be issued with an income tax receipt, something that is appropriate to today's times. They often wear their own clothing. They do not go and pick up a uniform. That is the only pay that they get. In some small communities throughout this country volunteer fire departments are very often the service clubs in those villages and communities.

I would like the government to consider this seriously. I am not sure what it does with all these petitioners but I hope it will give this one some priority.

GOODS AND SERVICES TAX

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I am rising on behalf of residents of Mount Pearl, Conception Bay and St. John's, Newfoundland, who are petitioning the government to re-examine the decision to impose the GST on reading material in Canada. It is a violation of the concept of freedom of speech to tax the written word, to tax the ability of people to communicate with each other.

The petitioners call upon the government and all members of the cabinet, including the member for St. John's West, and the parliamentary secretary, the member for St. John's East, to find their voices to speak out against this ungodly tax on reading material and against books.

Mr. Speaker, I am sure that this would be in order in any jurisdiction, the Newfoundland legislature, here in Ottawa or even in Ontario where they may sometimes do things differently, I do not know. Perhaps the member from Hamilton can tell us.

Mr. Nunziata: Mr. Speaker, this is the second time today an hon. member of this House has made a disparaging remark about members from Ontario. Even though I have the greatest amount of respect for my friend and colleague and former rat packer, even though I have the greatest amount of respect for him, there comes a time when members from Ontario have to stand their ground.

Another member earlier made a comment about my friend, the member for Hamilton East. Even though at times she might annoy different members in this House, she has every right to sit in this House. Even though she has the misfortune of coming from Hamilton, it is not to suggest that all people of Ontario have the same inadequacies as my friend and colleague.

I would ask the member for Humber—St. Barbe—Baie Verte to apologize to the people of Ontario.

Mr. Tobin: Mr. Speaker, on the point of order, I was merely reflecting upon a comment by the Speaker earlier when the Speaker said in response to a point of order that the member in question was not in the Ontario legislature now. I wanted to be absolutely sure in presenting my petition that whatever jurisdiction we were in, that the petition be received and that the word of the people of Canada be heard. I happen to believe that whether we are in the Ontario legislature, the Newfoundland legislature or the Canadian legislature, it is important that nothing be done to impede the ability of the people of Canada through their representatives to be heard.

I know my colleagues from Ontario appreciate that and agree with everything I am saying, in particular, my colleague from Hamilton East. There really ought not to be a distinction.

Ms. Sheila Copps (Hamilton East): I rise on a petition but I want to state on the point of order that I am sure that the Speaker did not mean to reflect in any way negatively on members of the Ontario legislature when he made his comments. I am sure he recognizes that members of Parliament, whether they are elected federally or provincially, respect decorum and respect the rules of the House. I am sure that he would want to reflect on the intemperance of the statements made about the Ontario legislature.

That being said, Mr. Speaker, this is not a petition on the CBC cutbacks even though the government has viciously closed the one person bureau of the CBC in the city of Hamilton.

It is in fact a petition on the GST as it relates to beer. In the holiday season, I am sure Mr. Speaker, that my colleague, the member for Annapolis Valley—Hants will probably want to second this petition, the reason being that the petition of the undersigned residents avail themselves of their ancient and undoubted right to present a grievance common. The Prime Minister and the Conservative government have ignored the wishes of the people and are imposing the goods and services tax. This is the important point, Mr. Speaker. The finance minister promised that the removal of the manufacturers' sales tax and the implementation of the GST would make Canadian industry more competitive and then, in the same breath, raised the excise tax on beer by 45 per cent to make up for lost federal revenues. This excise tax on beer displays disdain for small businesses that employ many people and have been taxed beyond reasonable limits. They will have to pass this tax increase along to customers and cut the number of employees.

• (1600)

Therefore we the undersigned humbly call upon Parliament to cancel the 45 per cent increase in excise tax on beer, which is designed only to recoup lost revenues as a direct result of the implementation of the unfair, regressive and crippling goods and services tax.

This is signed by more than 800 residents of the great riding of Hamilton East. It will be followed by many more thousands of signatures which I will personally be collecting over the holiday season.

The Acting Speaker (Mr. Paproski): The hon. member for Hamilton West.

Mr. Nunziata: From Hamilton to Hamilton.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, Hamilton is well represented in the House. My friend from York South—Weston may be surprised to learn the world does not rotate around Toronto.

I have the duty, pursuant to Standing Order 36, to represent a group of constituents from the Toronto area, seeing as they need people from Hamilton to support them.

The Government of Canada saw fit since Confederation and without hiatus to apply a zero rate of tax to magazines, books, and newspapers, et cetera. Since it is now including them in the GST, these petitioners from Toronto, Willowdale, and Arnprior are crying out to this government to reaffirm the historic principles embodied in the tax-free status for the printed word by retaining the zero rate in the GST legislation and regulations.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I too would like to take this opportunity to present a petition. I would like to read the recitals; there are just a couple of them.

The Prime Minister and the Conservative government have ignored the wishes of the people of Canada and are prepared to implement the unfair and regressive goods and services tax. As we know it is now implemented and is law.

The finance minister has promised in the past that the removal of the manufacturers' sales tax and the implementation of the goods and services tax would make Canadian industry more competitive. Then he suggested raising the excise tax on beer by 45 per cent to make up for the lost revenues.

The petitioners in this particular petition ask the Government of Canada to cancel the proposed 45 per cent increase in excise tax on beer, which is designed only to recoup lost revenues as a direct result of the implementation of the unfair, regressive and crippling goods and services tax.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, a great many residents of Arborfield, Saskatchewan have sent this petition for consideration by the Parliament of Canada.

They note that there have been many instances by this Conservative government of direct attacks against the rural way of life: cuts to communications systems, whether it is VIA Rail, the branch lines or CBC.

However, they are most immediately concerned that the government reverse its policy on the closure of rural post offices, maintain the rural post offices and postal services and, through this means, accentuate rural life in Canada.

FISHERIES

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, this is the third petition I have presented on this subject. They have been certified under Standing Order 36. It comes from hundreds of people in the Chinese Canadian community of British Columbia, many of them in my riding of Vancouver East.

The petitioners are very concerned with the decreasing supply of live rock cod fish, a fish which is of high cultural and economic value and provides food for some 200,000 Asian Canadians. It is a staple food for families, restaurants, and tourists.

The petitioners are concerned that the federal government's negligence and mismanagement have limited the supply of live cod to a three-month season, while sport fishers are allowed an unfair quota. Of course this is diminishing the supply of very necessary food.

Therefore the petitioners demand that the Minister of Fisheries and Oceans recognizes the special value of these fish to the Asian community and to visitors to Canada and immediately initiates management action which will ensure that a year-round supply of live codfish is available. This must include adequate federal attention to the long-term sustainable management of these fish and fair allocation.

CANADIAN BROADCASTING CORPORATION

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have both the pleasure and the pain to present to the House today part of a total of over 40,000 petitions from the citizens of Windsor and Essex county protesting to this government the cutbacks in the CBC which have led to the suspension of our local CBC station in the city of Windsor.

These petitions are signed by people who request Parliament to do everything possible to see to it that the CBC is given the sustenance and support to be able to carry forward its important task of providing local programming for the people of Windsor, Essex county, Sarnia, Lambton county—the people of that entire district who as a result of these cutbacks have been deprived of any local news service whatsoever.

In this country that is like cutting Windsor off and sending it to join the United States.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I have several thousand signatures on petitions from Windsor to present.

I would like to say that today, just today, 41,000 signatures have been presented from Windsor from all sides of this House. We appreciate the alacrity of the clerk of petitions in processing some 33,000 petitions overnight. That was wonderful, and it benefits the people of Windsor.

In addition to the 41,000 that are actually being tabled in this House today, 6,000 were tabled yesterday and some 10,000 or 15,000 have already been delivered to the House of Commons, and the people of Windsor still continue to sign.

The reason for this is that Windsor is a microcosm of what is happening to Canadians right across this land, as their institutions are alienating them from their own country.

I would like to quote clearly what the people of Windsor, Essex county, Kent county, and Lambton county are saying to this government. Wherefore we the undersigned, your petitioners, humbly pray and call upon Parliament to take all necessary measures to preserve local CBC television broadcasting in Windsor and in all areas deprived of such service by the Mulroney government cutbacks and by the decisions of CBC management.

These are people who are talking from their hearts and from their very souls to be allowed to remain Canadian in the face of American dominance.

PERSIAN GULF

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I also rise, pursuant to Standing Order 36, to introduce to the House a petition signed mainly by

people from Regina, Saskatchewan, though I notice as well that there are some from Vancouver, Vancouver Island, et cetera.

These petitioners point out the Canadian involvement as a result of the invasion of Kuwait by Iraq in the sending of military ships, planes, and ground communication to the gulf.

The petitioners also note the reports of military build-up in the gulf region. They note the statements by the Secretary of State for External Affairs about Canada's commitment to participate in any warlike activity that should arise.

• (1610)

Therefore the petitioners ask that the Government of Canada do all in its power to secure a negotiated settlement and withdraw Canadian Armed Forces from the gulf region.

I am sure as well the petitioners wish Canada and the House peace on earth and a good Christmas.

GASOLINE ADDITIVES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, it is my pleasure to present a petition. I would like to say that the petition is the work largely of my colleague from Lambton—Middlesex who brought the matter to the attention of a number of people from across the country, including Newfoundland. This petition is from the greater area of St. John's, including St. Thomas, Paradise, and Manuels.

The petition addresses the issue of pollution being caused by automotive emissions. It calls on the government to take steps to reduce hydrocarbon emissions dramatically and recommends a way in which this can be done. The petitioners pray that government would see fit to make a minimum 3.2 per cent oxygen content in gasoline fuels mandatory.

I compliment my colleague from Lambton—Middlesex. I commend this petition to the House and hope the appropriate department will take the appropriate action. I have great honour and pleasure in supporting the petition without equivocation.

CANADIAN BROADCASTING CORPORATION

Mr. Sid Samson (Timmins—Chapleau): Mr. Speaker, I rise, pursuant to Standing Order 36, to present a petition on behalf of 3,600 signatories from the area of Windsor opposing the CBC cutbacks.

The petitioners are strongly opposed to the cutbacks in the CBC. What this government is doing by failing to support the CBC is that it is tearing the very fibres of this country all to pieces.

This is a very serious issue. Because of the spirit of Christmas, maybe there have been some spirits going around the House. However, it is a pleasure to present this petition on behalf of the residents of Windsor who oppose these cutbacks.

VIA RAIL

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to rise, pursuant to Standing Order 36, to present a number of petitions concerning the restoration of VIA Rail services from the communities of Kaslo, Winlaw, Nelson, and Revelstoke within my own constituency; from Vancouver, Kamloops, Langley, Kelowna, White Rock, Port Coquitlam, and Burnaby in British Columbia; from Calgary, Alberta; from Regina and Estevan, Saskatchewan; from Winnipeg, Manitoba; and from Ottawa, Ontario.

First, the petitioners condemn the activities of this government that led to many cuts in Canada's vital passenger rail network and urge the government to restore, among other actions, VIA Rail services across the country, in particular The Canadian line through the heart of the Canadian Rockies.

CANADIAN BROADCASTING CORPORATION

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, it is my pleasure to stand, pursuant to Standing Order 36, to deliver over 2,000 signatures of residents of the Windsor area who, like people all across Canada, are outraged at the financial broad axe this government has taken to the CBC.

The petitioners ask that Parliament take all the necessary measures to preserve local CBC television services in Windsor and in other areas deprived of such service by the federal government cutbacks.

They ask that they be considered along with the over 40,000 signatures which have been submitted by other members of the House only today in regard to these devastating cutbacks.

PETRO-CANADA

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I rise, under Standing Order 36, to present a number of petitions certified correct as to form and content.

The petitioners, all people from my own riding of Nanaimo—Cowichan, humbly sheweth that Canadians need Petro-Canada during this time of serious price instability in the petroleum industry to take the lead as a green energy company and to remain 100 per cent Canadian.

Therefore the petitioners humbly pray and call upon Parliament to defeat or repeal Bill C-84 and keep Petro-Canada as a Crown corporation acting in the best interests of all Canadians.

CANADIAN BROADCASTING CORPORATION

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure to rise, pursuant to Standing Order 36, and add to the almost 50,000 names a further 1,350 signatures against the cutbacks to the CBC, in the Windsor area.

Mr. Speaker, these names are simply a few of the hundreds of thousands of people across Canada who are outraged at this government for cutting back on that thread that keeps Canada together. I represent many people in my riding who, like these people from Windsor, want that funding returned to the CBC.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, very briefly, I rise to present a petition pursuant to Standing Order 36, signed by numerous residents of Edmonton, Alberta and Toronto, Ontario, who object to the goods and services tax in so far as it applies to books and the printed word.

Even though that tax has been adopted by the House, I am sure these petitioners will have noted the tax is such a disaster that the Minister of Finance has recently introduced a series of proposed changes to the act. One hopes he can keep introducing a string of changes that will relieve Canadians from any obligation to pay this odious tax.

SPEAKER'S RULING

The Acting Speaker (Mr. Paproski): I have a statement. On Tuesday, December 18, 1990, the hon. member for Glengarry—Prescott—Russell raised a point of order regarding the acceptability of a petition which the hon. member for Kamloops had risen to present.

The petition in question contained, in addition to the signatures of Canadian residents, the signatures of several persons not resident in Canada. The member for Glengarry—Prescott—Russell rightly pointed out that it is not the practice of this House to receive petitions from non-resident aliens. Citation 688(1) of Beauchesne's fifth edition reads as follows:

> Aliens, not resident in Canada, have no right to petition Parliament.

This citation is based on a ruling recorded in the *Journals* for March 20, 1880 at page 165. The Chair faces a dilemma however. If this petition cannot be presented because it contains several unacceptable signatures, then those Canadians who signed the petition in good faith will be denied this opportunity to petition Parliament.

When Speaker Bosley was faced with a similar situation in November 1984, he made the following statement:

> On reviewing the Canadian and British precedents, I found no clear answer to the admissibility or non-admissibility of a petition which is signed by Canadian citizens and, at the same time, by non-Canadian citizens, not resident in Canada. In October 1983, Madam Speaker Sauvé ruled that a petition signed by American citizens was not receivable. That petition was signed exclusively by American citizens. Our precedents on petitions related to private bills indicate that petitions from foreigners have been accepted from time to time when the subject matter related to legislation or an area of jurisdiction of the Canadian Parliament. According since I could find no clear direction in our practice and procedure and so that those Canadian citizens who signed the said petition not be denied their ancient right to petition the House of Commons and since this is the first time this issue has arisen in this Parliament, I ask the House that the petition presented by the hon. member for Ottawa Centre be received by unanimous consent.

After having considered the problem, the Chair believes that the right of Canadians to petition their House of Commons would be better served if petitions, which are otherwise in order and have been so certified by the Clerk of Petitions, can be presented even if they contain

the occasional signature of a non–Canadian not resident in Canada.

Such signatures would not, of course, be counted among the 25 signatures which a petition must contain in order to be certified. I therefore rule the petition which the hon. member for Kamloops intended to present on Tuesday, December 18, duly certified and presented to the House. I must thank the hon. member for Glengarry—Prescott—Russell for bringing this matter to the attention of the Chair.

* * *

[*Translation*]

PRIVILEGE

PROCEDURE FOR TABLING MOTIONS

Hon. Jean Lapierre (Shefford): Mr. Speaker, I have to raise this question of privilege now, because we will not have the opportunity to do so for quite some time.

During the course of this sitting, especially at the motions stage, I shouted "no" at the top of my lungs every time the parliamentaru secretary to the Leader of the Government in the House asked if there was unanimous consent to table motions for which notice was not given.

Mr. Speaker, our Standing Orders are very clear on this subject. Not only have you heard me say no but, each time, you declared: "Agreed on division."

• (1620)

This means not everybody said "yes". A couple of minutes ago, I checked with the Table and was told that nobody heard me.

Mr. Speaker, this is not the first time. So I would make a request: either you have a loudspeaker installed or you provide hearing aids to the Table officers and to the people who occupy the Chair from time to time. It was obvious to every witness in this House that the parliamentary secretary did not get unanimous consent to table his motions.

Mr. Speaker, I can only shout as loud as my lungs will allow me. If the acoustics of this room is defective and if the sitting arrangment is not right, that is your responsability, Mr. Speaker. It was your decision to line us up against the curtains.

The fact is, Mr. Speaker, that there have been several instances of hearing problems on your part. I do not wish to give you any advice, but this is a real problem because sometimes you heard us and sometimes you turned a deaf ear today. I for one, Mr. Speaker,—

[*English*]

An hon. member: On the same point of privilege.

The Acting Speaker (Mr. Paproski): The same point of privilege.

Mr. Cooper: Are you going to let him speak?

An hon. member: Yes.

The Acting Speaker (Mr. Paproski): Go ahead.

[*Translation*]

Mr. Lapierre: Mr. Speaker, he is not a minister, so you can allow me to finish.

The fact is, Mr. Speaker, that I feel my privileges were infringed upon by your deafness and that of the Table officers. I therefore request a major remedy, if not by our Standing Orders, at least for your ears!

[*English*]

The Acting Speaker (Mr. Paproski): The hon. parliamentary secretary.

Mr. Cooper: Mr. Speaker, I am very much intrigued by the hon. member's understanding of the rules and his insistence that this House act upon those rules.

I would like to bring to the attention of the Chair that one of the longstanding practices of this House has been first, that we pass a motion to allow committees to report when the House is adjourned and second, it is also a longstanding practice that this House approve committee travel when committees of this House choose to travel around the country.

I should also remind the hon. member that it is equally a convention that questions during Question Period are given largely to that side of the House, with a very small number going to the backbench on this side. However, it is not a rule. It is simply a tradition or a convention.

Mr. Speaker, I ask you to keep in mind when the Chair rules on this point of privilege the behaviour that we have seen demonstrated by the hon. member this afternoon which has caused a great deal of frustration, not simply to this side of the House, but to every member-

who sits on committees and who participates in those committees and this House of Commons.

The hon. member is approximately 1/255th part of any questions that should be allowed in this House of Commons. I hope the Speaker will keep that in mind because we have on this side some 130 members that would be more than happy to take his questions.

The Acting Speaker (Mr. Paproski): I want to thank the hon. member for Shefford and I want to thank the hon. parliamentary secretary.

I would like to say that the only time the Chair heard a no, and it was on division, was when the hon. member read the motion concerning the travel of members, and the hon. member for Mississauga West moved his motion. I distinctly heard no's but there is a lot of noise here this afternoon. I know it is the time of the year when everybody wants to leave.

I will check the record. I will then come back and rule, but I just feel the hon. member must realize that today is an exceptional day because we are closing down the House of Commons for the holidays and so therefore there was noise and I did not hear the hon. member. I am sorry, but I am saying to you the only two no's I did hear was the hon. member after the travel motion and also the motion by the hon. member for Mississauga West. I will look at it and then I will go ahead and rule. The hon. member for Shefford.

Mr. Lapierre: If I may make a point in reply to what the parliamentary secretary was saying—

[*Translation*]

Mr. Speaker, the parliamentary secretary says I count for 1/295th, but unanimity is like pregnancy. There cannot be partial unanimity no more than one can be half pregnant.

[*English*]

The Acting Speaker (Mr. Paproski): That is another topic. We are not going to get into that right now. I think that we should get on with Questions on the Order Paper.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 361, 371 and 386.

[*Text*]

MINISTER OF NATIONAL REVENUE'S TRIP TO CZECHOSLOVAKIA

Question No. 361—**Mr. Rodriguez:**

Did an official party, led by the Minister of National Revenue, visit Czechoslovakia in August, 1990 and, if so (a) who were the members (b) what were the costs to the government incurred by each member for (i) transportation (ii) accommodation (iii) other costs associated with the trip?

Hon. Otto John Jelinek (Minister of National Revenue): Yes, the Minister of National Revenue visited Czechoslovakia in August 1990. The following is a list of the members of the party that accompanied the Minister and the costs to the Canadian government incurred by each member.

a) Member	b) i) Transportation	ii) Accommodation	iii) Other Costs
Hon. Otto Jelinek, Minister of National Revenue.	$5,400.72	$172.83	$102.23
Mrs. Otto Jelinek	$5,400.72	—	$58.80
Mr. George Corn, Hon. President, Czechoslovak Association of Canada, Past President, Canadian Ethnocultural Council Member, Executive Committee of the Council of Free Czechoslovakia, Auditor, Society of Czechoslovakian Arts and Sciences, Advisor, Czechoslovak (Toronto) Credit Union.	$3,234.72	$84.42	$58.80

a) Member	b) i) Transportation	ii) Accommodation	iii) Other Costs
Mr. Steve Dover, Special Assistant, Customs and Excise.	$3,234.72	$84.42	$82.71
Mr. Vic Little, Chief of Staff.	$3,234.72	$84.42	$58.80

STRAIT OF CANSO INDUSTRIAL DEVELOPMENT AUTHORITY (SCIDA) AND MR. LAWRENCE O'NEIL

Question No. 371—**Mr. LeBlanc:**

Did the Strait of Canso Industrial Development Authority (SCIDA) engage Mr. Lawrence O'Neil to act as a lobbyist and if so (a) by whom was he paid (b) how much was he paid (c) who did he contact (i) on what date (ii) for what purpose?

Hon. Elmer MacIntosh MacKay (Minister of Public Works and Minister for the purposes of the Atlantic Canada Opportunities Agency Act): The Strait of Canso Industrial Development Authority (SCIDA) engaged Mr. Lawrence O'Neil through his law firm as a barrister and solicitor. He was not engaged to act as a lobbyist.

REGISTERED RETIREMENT SAVINGS PLANS (R.R.S.P.)

Question No. 386—**Mr. Nunziata:**

For (a) 1987 (b) 1988 (c) 1989 (i) How many Canadians made contributions to Registered Retirement Savings Plans (ii) How many Canadians cashed in their entire Registered Retirement Savings Plans or a portion thereof and what was the dollar value involved in each of those years (iii) What was the cost to the Federal Treasury in deferred taxes as a result of contributions to Registered Retirement Savings Plans?

Hon. Otto John Jelinek (Minister of National Revenue): (a)(b)c) (i) (ii)

Taxation Year	1987		1988	
	Number	Amount (000)	Number	Amount (000)
RRSP Contributions	3,483,648	$9,024,444	3.802,255	$10,599,878
RRSP Withdrawals / Deregistrations	428,821	$1,922,510	508,074	$2,556,916

Final data for the taxation year 1989 is not yet available.

(a)(b)(c) (iii)

The Department of Finance has estimated the cost to the Federal Treasury in deferred taxes as a result of contributions *for both registered pension plan and registered retirement savings plan* to be about $6 billion for the 1989 tax year. This amount is arrived at by projecting prior years figures obtained from a study undertaken in 1985 by the Department of Finance on the cost assistance for retirement savings. A separate figure solely for the deferral of taxes from registered retirement savings plans is not available.

Reference: "Cost of selective tax measures", Department of Finance, August 1985.

[*English*]

The Acting Speaker (Mr. Paproski): The questions as enumerated by the parliamentary secretary have been answered.

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QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Questions Nos. 397 and 405 could be made Orders for Return, these returns would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that Questions Nos. 397 and 405 be deemed to have been made Orders for Return?

Some hon. members: Agreed.

[*Text*]

ADVANCED MANUFACTURING TECHNOLOGY APPLICATION PROGRAM

Question No. 397—**Mr. MacDonald (Dartmouth):**

Does the federal government provide funding under the Advanced Manufacturing Technology Application Program, and if so (a) what are the objective and eligibility criteria (b) which companies qualified for assistance (c) what is the breakdown, by (i) province (ii) year, for funds expended under this program?

Return tabled.

GOVERNMENT EXPENDITURES

Question No. 405—**Mr. Wappel:**

For the period from now and continuing through December 31, 1991 does the government plan or intend to provide funding to (a) the Planned Parenthood Federation of Canada (b) Serena Canada and, if so (i) when (ii) in what amount (iii) one-time or sustaining (iv) for what purpose (v) by way of grant or loan (with full loan particulars) (vi) with what system of accountability in place?

Return tabled.

[*English*]

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Question No. 403. I ask that the response be printed in *Hansard* as if read.

[*Text*]

SUPERMAILBOXES

*Question No. 403—**Mr. Saint-Julien:**

Has the Canada Post Corporation installed a supermailbox at a distance greater than 600 feet from the customer living the furthest distance from the supermailbox in the area served and, if so, was the distance between (a) 600 and 625 feet (b) 626 and 650 feet (c) 651 and 675 feet (d) 676 and 700 feet (e) 701 and 725 feet (f) 726 and 775 feet (g) 776 and 800 feet (h) 801 and 825 feet (*i*) 826 and 850 feet (*j*) 851 and 875 feet (*k*) 876 and 900 feet (*l*) 901 and 925 feet (*m*) 926 and 975 feet (*n*) 975 and 1,000 feet (*o*) greater than 1,000 feet?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): In 1985, Canada Post Corporation developed and announced its delivery policy including the use of community mail boxes (supermailboxes) as the equipment and mode of delivery that would be used in situations that would previously have gone to door to door delivery. The distance between customers served by the community mailbox and the equipment was established at 600 feet or 180 meters. Generally, this practice has been implemented for the largest majority of the 600,000 customers who are on the service as of 1990/91.

There are, however, circumstances where the Corporation cannot stay within the criteria due to the layout of the subdivision or municipality. In these cases, if Canada post stayed with the criteria it would result in the boxes being placed where they were in full frontal view of several homes on the same side of the street. In these circumstances Canada Post has moved the boxes to the ends of crescents or some distance away to a place where it could find a piece of property that would accomodate the box on easement without imposing on the homeowners adjacent to the equipment. There have been other circumstances where Canada Post has been petitioned by customers to move the boxes to another location and who agreed that they didn't mind walking the extra distance.

In other circumstances Canada Post has taken the initiative and surveyed its customers. In still other circumstances municipalities have asked the Corporation to place the boxes in certain situations which exceeded the 600 foot criteria and Canada Post has solicited and received the support of the customers involved. In urban centers where the Corporation has put such exceptions into service, generally, the customers don't have to walk any more than an additional 300 feet to their community mailbox. In all cases, the Corporation has entered into discussions with the municipal representatives of those serviced by the community mailboxes.

Where Canada Post has placed community mailboxes in cluster sites in suburban and rural settings, in most cases, a portion of the customers reside more than 600 feet from the equipment and therefore have to travel greater distance.

These exception have occurred in a number of cities and towns from coast to coast, in most provinces. Canada Post has endeavored to consistently apply the criteria. However, the Corporation has had to remain flexible in situations where it served the municipality, its customers or its approach to installation in a more practical fashion than sticking rigidly to the standard.

The specific information requested is not available.

[*English*]

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

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

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Motion for the Production of Papers No. P–25.

DPA GROUP, INC.

That an Order of the House do issue for copies of all documents related to the report prepared by DPA Group, Inc., entitled "A Study on the Reduction of Energy–related Greenhouse Gas Emissions", referred to in the House by the Minister of Energy, Mines and Resources during Question Period on Friday, May 4, 1990.

Mr. Cooper: Mr. Speaker, Notice of Motion for Production of Papers P–25 in the name of the hon. member for Skeena is acceptable to the government, subject to the usual reservations concerning confidential documents.

In response to this motion, the government is tabling excerpts from all major documents relating to the report prepared by DPA Group Inc. entitled, "A Study on the Reduction of Energy–related Greenhouse Gas Emissions".

I ask that the other Notices of Motions for the Production of Papers be allowed to stand.

The Acting Speaker (Mr. Paproski): Shall the remaining Notices of Motions for the Production of Papers be allowed to stand?

Some hon. members: Agreed.

Mr. Gauthier: Mr. Speaker, there have been discussions of which you are not aware. As you will notice on the Order Paper, the first order of the day is Bill C–88. The opposition parties, at least the one which I represent, would like to give their consent to that bill being passed as soon as possible, so that we can get to the adjournment motion. Therefore, we will have only one speaker who will be very brief on Bill C–88.

Mr. Cooper: Mr. Speaker, I need to ask the House a specific question because on this particular bill there are two ways we can move: one is that the government could move at the report stage an amendment which would, therefore, require the consent of the House for us to proceed to third reading.

Perhaps I can ask the question. I am not sure that I am in order, but I would like to ask the question of the House whether or not there would be consent for us to deal with this technical amendment at report stage and then go to third reading.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): There is no consent.

Mr. Cooper: On a point of order, I therefore want to indicate that the government will not be proceeding with the amendment at report stage. We will call for concurrence and third reading of this bill.

GOVERNMENT ORDERS

[*English*]

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AGREEMENT ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C–88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development as reported (with an amendment) from a legislative committee.

Hon. Charles Mayer (for the Minister of Finance) moved that the bill be concurred in.

Motion agreed to.

• (1630)

Hon. Charles Mayer (for Minister of Finance) moved that the bill be read the third time and passed.

Mr. Dave Worthy (Parliamentary Secretary to Minister of State (Privatization and Regulatory Affairs) and Minister of State (Finance)): Mr. Speaker, I am very pleased to speak briefly to the bill today.

It is a bill I am proud to introduce because it is going to enable Canada to assist the people and the countries of eastern Europe in their reconstruction and their development. It is a bill that required co–operation from all members of the House that were on the committee dealing with it. Although we did hear some very credible witnesses, it was processed in a very proper and quick manner. I want to thank all members of that committee who co–operated with us in this endeavour. I think all parties in the House will be supporting this bill.

What is so important to us in Canada, and something which many people forget, is that so many of our ancestors have come from Europe. More than 15 per cent of Canadians can trace their ancestors back to eastern Europe. Probably more than most other Canadians, they recognize that eastern Europe is not a block, although there is a bloc of countries, and each of those countries is unique. Each of them is different than the other and each has problems that are unique.

In trying to address the problems that we all know that these countries have, the need has been recognized of the establishment of a bank to deal strictly with the countries of eastern Europe. This bank will be able to specialize in the needs of the people of these countries, along with the needs of their businesses and the needs of their governments. As well, in co–operation with the International Monetary Fund and the World Bank, it should try to assist governments in particular and businesses in these countries to get established and hopefully to prosper.

Their prosperity is important, not only to the countries of eastern Europe, but to all countries around the world and especially to Canada. In our trading relationships of the future, we will look with great hope to the emerging-

trade that we know will come from the countries of eastern Europe.

The assistance by this special bank will also be critical in leveraging investments from private financial institutions. It will be through this combined financial effort that the various countries will find it possible to move from a state where they have been very centrally controlled. Although each one of these countries has been handled differently, they all seem to have a unified desire and need to move much of these state-controlled operations into private hands. It is in this way that the bank of eastern Europe will be able to assist.

I am very proud to have been able to play a part in its inception. I want to thank all those in the House who have worked with me.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I am very pleased this afternoon to be able to speak very briefly on Bill C-88. With this legislation, Canada will be able to be a founding member of the European Bank for Reconstruction and Development.

We supported this bill at second reading, as we did in the legislative committee. In fact, our party succeeded in getting the agreement to an amendment which I think all members will agree has made this bill more effective.

The original bill required the Minister of Finance, who is the representative on the board of the bank, to report annually to Parliament on the bank's activities. The amendment states that this report has to specify the progress that the bank made in areas of sustainable development and human rights, two areas that the bank must examine when making loans.

That amendment was made by my colleague, the hon. member for Parkdale—High Park, and I want to congratulate him for a very constructive amendment. I think all members will agree that it improves the legislation tremendously.

My colleagues and I probably could have made other improvements to this legislation, if the government had allowed us the opportunity to study the bill and to call further witnesses.

We were allowed four witnesses over three days. Certainly we are very grateful to those witnesses who came before the committee on such short notice. We heard from university professors and a lawyer whose firm has had extensive experience with the countries of central Europe. Of course, we also heard from federal government officials.

We wanted to hear also from business people who are actively involved with these countries. We wanted first-hand experience so that we would actually know what is taking place in the countries of eastern Europe. We would have liked to have called witnesses from the Canada-Soviet Business Council, as well as members from other business councils dealing with Poland, Hungary, and other countries.

This should have been possible because the government joined this bank in May. Instead of trying to get parliamentary approval immediately, it waited for seven months to do so. Then, in early December, we were told that it had to have this bill right away and we could only have very few witnesses. It was another way in which we could see the government's total lack of control and total lack of organization.

Certainly this new bank is a very important institution because the countries of Central Europe are suffering from tremendous economic and social problems ranging from massive debt to serious internal food distribution problems. They are really suffering the effects of 45 years of inefficient state planning and almost total state ownership. Converting from command economies to market-driven economies is certainly no easy task. If the people in these countries are willing to try, we have a duty to help them.

Certainly these people are already under tremendous economic strain, but their needs are not all economic. Some of the greatest needs are technical in nature, such as creating the proper business environment in order that business deals can be put together. They need advice on tax law, business contracts, foreign investment, and in many other areas.

• (1640)

This bank is also going to act as a catalyst because it is going to be able to bring business people together from the east and the west. It is going to be a catalyst toward getting business deals together. This kind of outreach from the west to the countries in central Europe will certainly benefit Canada and potentially even my province of Prince Edward Island.

I know, Mr. Speaker, that time is running out this afternoon and, as many of us have spoken extensively on this bill at second reading, I want to conclude my remarks by reaffirming my party's support for Bill C-88, which will allow Canada to play a very important role in

helping the people of central Europe build their economies. I look forward to its passage today and to the creation of the European Bank for Reconstruction and Development next April.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this bill which is before us comes from an initiative which was originally put before the international community by François Mitterand, the President of France.

It is a suggestion that is one of a number of important responses that we need to make to the dramatic and very welcome developments which have occurred in eastern Europe. We can see across eastern Europe a whole spread of democratic revolutions taking place which we expect will put into place in the future a series of societies and economies that much better serve the people of those countries than was true under the previous communist regimes.

This bill has Canada join in a small way in the process of trying to assist the transition of those economies from essentially Stalinist bureaucracies, in most cases, to economies in which it will be possible for privately-owned enterprises and state-owned enterprises to play an important role in interaction in the marketplace in meeting the needs of people in those economies.

We were particularly pleased to hear some of the witnesses who spoke to us in the legislative committee. They made the point very strongly that we are dealing with a difficult transition in eastern Europe which requires as much support as possible from the people of North America, the rest of Europe, and Japan. The establishment of this bank will be a step which will make that transition somewhat easier.

It is for that reason that we support this legislation and we hope very much that the bank will be a positive addition to the capital resources and the managerial resources of eastern Europe as it moves toward a more prosperous and, above all, a more democratic future for its people.

[*Translation*]

Mr. Lapierre: Questions and comments.

The Acting Speaker (M. Paproski): The hon. member for Laurier—Sainte-Marie.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): The hon. member mentioned the desire for democracy expressed in Eastern Europe. I would say that with it came, above all, a desire for national identity. There were countries that wanted to free themselves from the yoke of the U.S.S.R. Within the U.S.S.R. we see republics that wish to express the fact that they are a nation. I am thinking specifically of Lithuania, Estonia and Latvia. If these countries decide to become independent, and considering the bill before the House, would the hon. member recognize the desire for independence of these three republics, for instance? Does he recognize the right of these three republics to self-determination? And should Canada, on this basis, help countries like the Baltic countries in their development? I would appreciate the hon. member's comments.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, obviously, I cannot answer for the Government of Canada. Personally, however, I think it is important to realize that a lot of changes are taking place in all European countries, and for instance, in the U.S.S.R., there are republics that entered into a federation about 60 or 70 years ago. The question is whether this federation will continue. I have no answer to that. I cannot predict whether the federation will be maintained. If there are changes that result in the dissolution of the U.S.S.R., I think it will be important for us as a country to help those countries, even if we are not happy with the dissolution itself.

Personally, I think that if the result is a movement towards independence by one or two or three of these republics, I think that is their right. And I hope—and I think this is important—that the bank will analyse the situation and conclude that it has a duty to help these new independent republics.

The Acting Speaker (Mr. Paproski): Questions and comments. The hon. member for Laurier—Sainte-Marie.

Mr. Duceppe: You also said that a very bureaucratic and centralized system within the Soviet federation had led to disastrous consequences, both for democracy and for the economy. I would like to know whether you see

any useful lessons here for Canada. Canada is a federation. Don't you think that a very bureaucratic and centralized system within a federation will necessarily smother national or even regional aspirations?

• (1650)

Mr. Langdon: Mr. Speaker, I think it is very difficult to consider these questions in the context of a debate on this bank. As I said in my remarks, the important thing is to avoid a Stalinist bureaucracy. There would be a number of issues to be raised if we were to refer to our own country, but it cannot be said that we have a Stalinist democracy. We do have a bureaucracy, of course, and I would not like to see an overly centralizing bureaucracy here in this country. Still, and I should think the hon. member would agree with me, we cannot say that we in Canada have a Stalinist bureaucracy, even with this government.

The Acting Speaker (Mr. Paproski): The hon. member for Shefford, for questions and comments.

Mr. Lapierre: Mr. Speaker, I want to commend the hon. member for his speech because I know he is familiar with the subject. But I would ask him whether he might not fear that Canada's participation in this European bank could be detrimental to the international assistance we have given in the past to other world nations in dire need. What I mean, is that a number of countries now receiving Canadian assistance—which is unfortunately too limited and has been declining over the years—may now be concerned that the Canadian participation might be taken from the same appropriations. Therefore, countries which until today have traditionally relied on Canadian aid for their own development may be wondering whether, as a result of the liberation of Eastern Europe, the funds which used to be earmarked for Africa and other Third World nations will be redirected towards Eastern Europe, often for commercial or political motives, to the detriment of the poorest countries of the world. While examining the bill, did the hon. member get the assurance that this will not happen? I realize he cannot speak for the government and that government members have precious little to say about this today, but I would like to know whether the hon. member shares my concern.

Mr. Langdon: Mr. Speaker, I hope there is no legitimate fear on that score. The question was raised in committee. It is a crucial issue and no one can predict what the government decision will be. For instance, it cannot be said that, after participating in this bank, the government will continue to be as generous as it has been so far with developing countries.

But I think this is an important bank. Since Canadian government assistance does not rank among the best, I do not think we ought to fear that Canada's participation in this bank might lead to a situation likely to create problems for developing countries.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, it is a privilege for me to have an opportunity here for the remaining five or six minutes to participate in this particular debate. I have to say that having spent the afternoon here in the House of Commons, I am not feeling in a particularly generous mood, nor do I feel very much of the Christmas spirit but I am sure, Mr. Speaker, that you can identify with that feeling.

What we are involved in here is something that has certainly caught the entire world's attention. I can recall not so very long ago visiting the city of Berlin and looking at the wall. I can remember standing on the free side of that wall—if I can describe it that way—beside a beautiful German building, looking at this absolutely horrendous, ugly piece of construction that separated me from a couple of young soldiers just a few feet away sitting in a tower on the eastern side of that wall.

I can recall at that moment my feelings of anger and frustration at dealing with a situation that was absolutely impossible. I thought at that moment of the words of John F. Kennedy who stood there as well and spoke of the horrors of the wall and what it meant to the people of Europe and, in particular, the people of Germany.

Not long after standing beside that wall, I took the opportunity to walk through Check Point Charlie and go into the eastern part of Germany and experienced the absolute culture shock that anybody who has crossed the wall can identify with.

Here we were in western Berlin in a city that was so vibrant, so alive, an obvious tremendous economy, an air of excitement. Whether that was at three in the morning or three in the afternoon it was a city that was so much alive. You could feel the dynamics that were working

within that city. When I walked that few feet to cross through Check Point Charlie, the atmosphere changed.

My first experience within about a block of the entrance was to come upon a small park in the middle of the city. I took a few minutes to stop and sit there. A young woman with, I assume, her mother and her two-year old daughter were in the park. What I found so fascinating was here we were in the middle of a city in an open park on a Friday afternoon and I am watching a mother and a young daughter and that little girl—like any two-year old—wanted to get up and play, have fun, and get into the excitement. The mother kept saying to her: "Shh-shh". Mr. Speaker, at the same time I had left at home here in Canada a two-year old daughter. I can imagine how I would have responded to her in a park like that in Canada. I could not by any stretch of my imagination suggest to her that she be quiet.

The reason I tell that story, Mr. Speaker, is because that picture of that young woman and her daughter demonstrated to me so clearly the significance of that wall, what that wall stood for, what that wall meant. We saw because of that wall a tremendous division of ideology, a tremendous division of opportunity, and a tremendous division of people. A wall that would divide people from one family could be living on either side of the wall—

Mr. Speaker, may I call it 5:00 o'clock p.m.?

Some hon. members: 5:00 o'clock p.m..

Mr. Cooper: Is it 5:00 o'clock p.m. Mr. Speaker?

I wish to continue my remarks after 5:00 p.m. o'clock.

[*Translation*]

Mr. Lapierre: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Shefford on a point of order.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I rise on a point of order because I was fully aware that the House had adopted a motion stating that at five o'clock we could vote on the adjournment, but that it was a conditional motion. Consequently, if the conditions are not met and that it is later than 5:00 o'clock p.m., I would like to know if the debate simply goes on and if the proceedings continue as usual? Is this the best course to follow, that at that point the motion is void?

[*English*]

Mr. Speaker: I would like to respond for a moment to the hon. member for Shefford. I think it is important that hon. members and the public understand the procedural situation.

We are now bound by a motion granted by unanimous consent, which reads as follows:

> That, no later than 5:00 o'clock p.m. on Wednesday, December 19, 1990 the debate on Government Notice of Motion dated December 17, 1990 in the name of the Leader of the Government in the House of Commons, regarding winter adjournment, be deemed to have been completed and all questions necessary to dispose of the said motion will be put forthwith and without further debate, provided that each opposition has had an opportunity to move an amendment or subamendment.

Given that I think it is appropriate to proceed. I ask hon. members to listen carefully because I think that they will see that this is proceeding appropriately.

It being five o'clock p.m., pursuant to order made on Tuesday, December 18, 1990, the House will now proceed to Government Business No. 26 in the name of the Leader of the Government in the House of Commons regarding the winter adjournment.

* * *

HOUSE OF COMMONS

WINTER ADJOURNMENT

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons) moved:

> That, when the House adjourns on the day this order is adopted, it shall stand adjourned until 2.00 o'clock p.m. Monday, February 18, 1991 provided that at any time before the said date the Speaker may fix a time at which the House shall meet either in accordance with the provisions of Standing Order 28(3), if the public interest requires that the House should meet at an earlier time; or, after consultation with the Government, for the sole purpose of granting Royal Assent to any Bill or Bills, after which the House shall stand further adjourned in accordance with this Order; and
>
> That, notwithstanding any Standing Order of this House, if the House is not recalled pursuant to Standing Order 28(3) before Monday, February 18, 1991, the then scheduled adjournment in accordance with Standing Order 28(2) from February 18, 1991 to February 23, 1991 shall be cancelled.

I think the appropriate thing to do now is to give each opposition party an opportunity to move an amendment or a subamendment.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, in accordance with your ruling, I would like to move an amendment that deals specifically with the question of timing.

We all know that this country and the world in fact face a very important deadline on January 15, when we will have to make crucial decisions about war and peace. We know that there is a great deal of apprehension among the Canadian public about that decision. It is a decision that should not be made without Parliament sitting at that time.

There is a number of precedents. The French Assembly has already decided to come back on January—

Mr. Speaker: I know that the hon. member will not be surprised if the Speaker rises to say that the object of the exercise of the hon. member rising is to present the amendment and not to present debate, important as his comments may be.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I did it only to assist the House in understanding the reason for this amendment.

Mr. Speaker: The Speaker is most appreciative that the hon. member's comments were only designed to assist the House, but I would ask the hon. member to put the motion.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I move:

> That the motion be amended by deleting all the words after the word "Monday" and by substituting the following:
>
> "January 14, 1991, provided that at any time before the said date, the Speaker may fix a time at which the House shall meet either in accordance with the provisions of S. O. 28(3), if public interest requires that the House should meet at an earlier time; or after consultation with the government, for the sole purpose of granting Royal Assent for any Bill or Bills, after which the House shall stand further adjourned in accordance with this order; and provided that, if hostilities commence in the Persian Gulf area or appear to be imminent, the Speaker shall immediately set a time not more than 48 hours thence for the House to meet".

This is a way in which Parliament will be allowed to present itself as the forum for decision making, not the cabinet, the ministers or the Prime Minister but the people of Canada, through their elected representatives.

• (1710)

Mr. Speaker: The amendment that the hon. member has moved is, of course, an understandable one. It is directed to meet a very serious matter which our country, along with other countries, faces.

I do not think it will come as too much of a surprise that the hon. member will find that the Speaker has to look very carefully at the wording in this amendment. Quite frankly, there are procedural difficulties with it. I am going to read the last four lines of the amendment:

> —and provided that if hostilities commence in the Persian Gulf area or appear to be imminent, the Speaker shall immediately set a time not more than 48 hours thence for the House to meet.

That may be a very commendable thing for the Speaker to do, but that is not he task I have to perform at the moment. I say, with full understanding of why this amendment has been put forward, that these lines introduce a new concept into the motion relating to hostilities in the Persian Gulf area. To my mind, the consequence of that is that it introduces a new concept and enlarges the scope of the motion. I am afraid I have to rule it out of order.

While there may be a number of citations that I could give the House, if hon. members will refer to the volume, *Decisions of Speaker Lamoureux* on page 313 and 314, they will understand why I have to make the decision that I have made.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, taking into account the time of year, I am certainly in no mood to challenge the learned and wise decision of the Speaker.

I would suggest that, under the circumstances, if it is only the last phrase that gives the Speaker some problem that portion of the motion could be deleted and the other part could be left standing. This would change the date simply to January 14, as opposed to February 18. While it does not give us quite the same scope, flexibility, or discretion for Parliament to act, I would still hope that Parliament would be prepared to come back on January 14, considering that would just be the day before Mr. Bush's January 15 deadline.

Mr. Speaker: The hon. member is probably aware that might be a very practical way of meeting the objectives of the hon. member and the Official Opposition, but it would require consent.

Some hon. members: Agreed.

Mr. Lapierre: No.

Mr. Speaker: There is not consent, so I cannot proceed further.

The hon. member for Annapolis Valley—Hants on a quick point of order.

Mr. Nowlan: Very quickly, Mr. Speaker. Frankly I think the general purpose of the motion that is before the House will take care of any unfortunate eventualities that may occur. That is why we are here.

I have another sub-point of order which I perhaps would not want to try to get involved with here, but you talk about the opposition, Mr. Speaker, and I would like to be one—perhaps there are others—who question some of these motions which are agreed to by party consent. We have to think of other members besides the official recognized parties.

But in terms of the motion that my friend in the front row of the Liberal side has moved, the general adjournment motion takes care of it. It is then within the wisdom of the Chair, after consultation with leaders, as to whether the House goes back.

I will not presume on the House any further, but I have another point to raise later on.

An hon. member: On a point of order, Mr. Speaker.

Mr. Speaker: I have heard the hon. member for Annapolis Valley—Hants.

I have had to make a ruling on the motion from the official opposition. I just want members and the public to realize that when I referred to the opposition I was referring specifically to Her Majesty's Loyal Opposition because this is the motion we are dealing with. There is no suggestion that I am not concerned about other members of the opposition.

The hon. member for Winnipeg South Centre.

Mr. Axworthy (Winnipeg—South Centre): Mr. Speaker, I rise on a point of order. If it is your decision not to accept the proposal, I am sorry. We could accept the proposal except some of our hon. colleagues behind us to the left did not want to give it consent.

[*Translation*]

Unfortunately, it seems that certain members from the Bloc Quebecois are not very cooperative today.

[*English*]

At the same time, Mr. Speaker, we do have difficulty meeting the condition of the adjournment motion and where it says that we have the right to move an amendment, I would like to be able to move that amendment.

We could perhaps find one that would be acceptable, but in order to meet the conditions of the consent order for adjournment, we would have to be able to move an amendment that would be acceptable to the Speaker in the House. I am sure that with the able assistance of the Table, we could find the right words to do that.

[*Translation*]

Mr. Speaker: The hon. member's comment is greatly appreciated, by the Chair but needs unanimous consent at this time. Unfortunately for the member, it was not obtained and the decision is quite clear.

The hon. member for Ottawa-Vanier.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I think I found a solution.

Mr. Axworthy (Winnipeg South Centre): That is what we need.

Mr. Gauthier: The order adopted yesterday states clearly that each opposition party will be allowed to move an amendment or sub-amendment. You just said that the amendment moved by my colleague from Winnipeg South Centre is out of order because it is beyond the normal scope of an amendment.

[*English*]

Mr. Speaker, you are correct when you say that the member for Winnipeg South Centre cannot resubmit another amendment, but the opposition has the right to submit an amendment.

I submit to you that another member of this House, in this case the whip of our party, could present an amendment which will be, I think, Mr. Speaker, acceptable to you.

• (1720)

Mr. Speaker: Before I rule on the intriguing question which has been put to me by the hon. member for Ottawa—Vanier, the hon. member for Shefford.

[*Translation*]

Mr. Lapierre: Mr. Speaker, I simply want to draw one thing to your attention. The motion adopted on December 18 does state: "—at 5.00 o'clock p.m. at the latest."

It is now 5.20 p.m. Unless you go by Pacific time, I suggest it is even too late to table the said motions. We said "at 5 o'clock p.m. at the latest" and, as far as I know, unanimous consent was not given to ignore the clock either.

[*English*]

Mr. Speaker: It may be the reason the hon. member has, but I am satisfied we are proceeding on a proper procedural basis. The hon. member for Cape Breton—East Richmond.

Mr. Dingwall: Mr. Speaker, I move that the motion be amended by deleting all the words after the word "Monday" and substituting the following:

"January 14, 1991, provided that any time before that said date the Speaker may fix a time at which the House shall meet either in accordance with the provisions of Standing Order 28(3) if public interest requires that the House should meet at an earlier time, or after consultations with the government for the sole purpose of granting Royal Assent for any bill or bills after which the House shall stand further adjourned in accordance with this Order".

Mr. Speaker: The House can do anything it wishes if there is consent. There was not consent to accept the amendment. I have listened to the intriguing argument of the Official Opposition. My difficulty is that when looking at the motion, the exact words are "provided that each opposition party has had an opportunity to move an amendment or subamendment". I think I am pressed back into the position that my colleagues in the Official Opposition have had that opportunity. I have had to rule the amendment out of order despite how serious the issue is, but I do not see any way that the Chair can get around these words, "provided that each opposition party has had an opportunity to move an amendment or subamendment".

If the House wants to proceed in another way, I certainly am prepared to listen to comments if there was consent, but without that, I think I have to proceed.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the New Democrats would have been very pleased to support the Liberal amendments, so I am sorry it was not found to be procedurally correct. However, I wish to address one provision of the motion and move an amendment which enables the government to pass into law those bills that are currently in the Senate without the House sitting.

We reluctantly support this provision with the exception of Bill C–43. As you know, Mr. Speaker, Bill C–43 is not like the other bills in the House.

An hon. member: Order.

Mr. Speaker: The hon. member will have to put her amendment. As I had to point out, the placing of an amendment at this time under the motion that was accepted by the House is not a time for debate.

I ask the hon. member to put her motion.

Ms. Black: Mr. Speaker, I move:

That the motion be amended by deleting the words "granting Royal Assent for any bill or bills", and replacing that with "granting Royal Assent for bill or bills other than Bill C–43.

Mr. Speaker: I find the motion in order. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Call in the members.

• (1750)

Before the taking of the vote:

Mr. Axworthy (Saskatoon—Clark's Crossing): On a brief point of order, Mr. Speaker. On the vote on the amendment, we will remember that Bill C–43 was a free vote. I wonder if we could not—

Some hon. members: Oh, oh.

Mr. Speaker: That is not an appropriate point of order at all. The question is on the amendment.

The House divided on the amendment, which was negatived on the following division:

Government Orders

(Division No. 385)

YEAS

Members

Allmand
Angus
Assad
Axworthy (Winnipeg South Centre)
Bélair
Benjamin
Blackburn (Brant)
Breaugh
Caccia
Catterall
Comuzzi
de Jong
Duceppe
Edmonston
Fisher
Fulton
Gagliano
Gray (Windsor West)
Harvard
Hopkins
Hunter
Keyes
Kristiansen
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Maheu
Marchi
Martin (Lasalle—Émard)
McGuire
Mifflin
Murphy
Nystrom
Parent
Peterson
Pickard
Rideout
Rodriguez
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Walker
Young (Acadie—Bathurst)—87

Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Barrett
Bellemare
Black
Blondin
Brewin
Callbeck
Clancy
Copps
Dingwall
Duhamel
Finestone
Foster
Funk
Gauthier
Guarnieri
Heap
Hovdebo
Kaplan
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
Laporte
Lee
MacWilliam
Manley
Marleau
McCurdy
McLaughlin
Mitchell
Nault
Pagtakhan
Parker
Phinney
Proud
Robinson
Rompkey
Simmons
Speller
Stupich
Vanclief
Whittaker

NAYS

Members

Anderson
Atkinson
Beatty
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Clifford
Cooper
Corbett
Couture
Crosby (Halifax West)
Darling
de Cotret
Duplessis
Epp
Feltham
Fontaine
Friesen

Andre
Attewell
Belsher
Bird
Blais
Bosley
Boudria
Browes
Campbell (Vancouver Centre)
Chadwick
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosbie (St. John's West)
Danis
DeBlois
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau

Gray (Bonaventure—Îles-de-la-Madeleine)
Halliday
Hawkes
Hogue
Horner
Hudon
James
Joncas
Koury
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
McLean
Monteith
Nunziata
O'Kurley
Porter
Redway
Ricard
Robitaille
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Venne
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard

Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horning
Hughes
Johnson
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
Mayer
McDermid
McKnight
Merrithew
Moore
Oberle
Plourde
Pronovost
Reid
Richardson
Roy-Arcelin
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Weiner
Wilbee
Worthy—123

Mr. Speaker: I declare the amendment lost. The next question is on the main motion.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Mr. Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some hon. members: Agreed.

Mr. Hawkes: Mr. Speaker, I think there might be a predisposition to apply the vote just taken to this one, in reverse.

Some hon. members: Agreed.

Mr. Scott (Hamilton—Wentworth): Mr. Speaker, I was present for the first vote but I abstained. I would therefore like my vote recorded with the government side on the assumption will that we go ahead and apply the vote.

Mr. Domm: Mr. Speaker, I would also like to have my vote recorded with the government. I abstained on the amendment.

Mr. Gray (Windsor West): Mr. Speaker, under other circumstances, we might have been willing to consider the application of the previous vote to this motion. It will be impossible for us to do so because we treated our vote on the previous motion as a free vote. Therefore—

Mr. Speaker: All those in favour of the motion will please rise.

The House divided on the motion, which was agreed to on the following division:

(Division No. 386)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bertrand	Bird
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Clark (Brandon—Souris)	Clifford
Cole	Cooper
Corbeil	Corbett
Côté	Couture
Crosbie (St. John's West)	Crosby (Halifax West)
Danis	Darling
DeBlois	Domm
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Guilbault
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Holtmann
Horner	Horning
Hudon	Hughes
James	Johnson
Joncas	Kempling
Koury	Langlois
Larrivée	Layton
Lewis	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
Malone	Marin
Martin (Lincoln)	Masse
Mayer	McCreath
McDermid	McDougall (St. Paul's)
McKnight	McLean
Monteith	Moore
Oberle	O'Kurley
Plourde	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van de Walle	Vankoughnet
Venne	Vézina
Vien	Weiner
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—120

NAYS

Members

Allmand	Althouse
Angus	Arseneault
Assad	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Barrett
Bélair	Bellemare
Benjamin	Black
Blackburn (Brant)	Blondin
Boudria	Breaugh
Brewin	Caccia
Callbeck	Catterall
Clancy	Comuzzi
Copps	de Jong
Dingwall	Duceppe
Duhamel	Edmonston
Finestone	Fisher
Foster	Fulton
Funk	Gagliano
Gauthier	Gray (Windsor West)
Guarnieri	Harvard
Heap	Hopkins
Hovdebo	Hunter
Kaplan	Keyes
Kilger (Stormont—Dundas)	Kristiansen
Langdon (Essex—Windsor)	Lapierre
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacLellan
MacWilliam	Maheu
Manley	Marchi
Marleau	Martin (Lasalle—Émard)
McCurdy	McGuire
McLaughlin	Mifflin
Milliken	Mitchell
Murphy	Nault
Nunziata	Nystrom
Pagtakhan	Parent
Parker	Peterson
Phinney	Pickard
Proud	Prud'homme
Rideout	Robinson
Rodriguez	Rompkey
Samson	Simmons
Skelly (Comox—Alberni)	Speller
Stewart	Stupich
Taylor	Vanclief
Whittaker	Young (Acadie—Bathurst)—90

Mr. Speaker: I declare the motion carried.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I move:

That the House continue to sit beyond the ordinary hour of adjournment for the purpose of continuing consideration of the third

reading stage of Bill C–88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development.

Mr. Speaker: The hon. parliamentary secretary has asked that the House consent to proceeding with Bill C–88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development. What the hon. member is asking is that it be now read a third time and do pass. That requires consent.

The hon. member for Shefford on a point of order.

• (1800)

[*Translation*]

Mr. Lapierre: I rise on a point of order, Mr. Speaker. I want to point out that it is already passed 6 o'clock p.m. and that they will not find the required consent, because they did not have the courtesy of advising us of the motions they had to pass today.

[*English*]

Mr. Hawkes: Mr. Speaker, I think the motion was made under Standing Order 26. It is always admissible. If 15 members do not rise, then it is acceptable.

Some hon. members: No.

An hon. member: That's right.

Mr. Hawkes: That was Standing Order 26 that the member was using.

Mr. Speaker: I recognize that, but we are after the hour.

Let me make it very clear what is being sought here. The government wishes to proceed with a bill to third reading. Because we are after 6:00 o'clock p.m., that will require consent. Is the House prepared to proceed?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Axworthy: Mr. Speaker, I have a very brief point of order. As the Speaker and hon. members of the House would recognize, we could move an amendment where we would try to clarify specifically that the House would be called back if there was the imminent conflict—

Mr. Speaker: I must say to the hon. member that that may be a very interesting thing to say outside the House, but it is not a point of order.

Mr. Cooper: Mr. Speaker, when I rose on the motion, the business before the House, before we stopped at 5:00 o'clock p.m., was Bill C–88. I had the floor. You, Sir, had not risen to call it 6:00 o'clock p.m. to adjourn the House.

I would therefore argue that the House was still sitting. I had put the motion prior to you having called it 6:00 o'clock p.m.

Some hon. members: Hear, hear.

Mr. Gauthier: Mr. Speaker, I do think that the point is a moot point. It is not a weak one.

Standing Order 26 says the member must have the floor. As far as I know, the Clerk had not read the order that was to be discussed after the votes had been called for. The Clerk had just sat down.

Nevertheless, Mr. Speaker, this party is willing to give the government Bill C–88 today. We will agree to extend the hours, but not all night.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. parliamentary secretary has made a representation which I think in view of the response from the hon. member for Ottawa—Vanier, I do not need to go into.

What is being asked now basically is, will the House proceed with this bill.

Just so that all hon. members know exactly what is being asked, and so that the public will know what is being asked here, the government wishes to proceed and Her Majesty's Loyal Opposition has agreed to proceed and we will take the consent of the House that Bill C–88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development, be now read a third and do pass.

Some hon. members: No.

Mr. Speaker: The hon. member for Shefford is clearly indicating that he is not in agreement.

Mr. Andre: Mr. Speaker, what happened by way of House order was that during discussion of Bill C–88, the House stopped the proceedings to have a vote on the motion for adjournment and so on.

Some hon. members: Order.

Mr. Andre: Prior to that, my parliamentary secretary was speaking on debate. He rose prior to the adjournment and put a motion under Standing Order 26, extension of hours, which the Leader of the Opposition agreed would be appropriate.

Now, the question comes down to the clock. I would remind you, Mr. Speaker, that the Standing Order states explicitly that Question Period will start at 2.15. p.m. Today it started at 2.20 p.m. because the Chair showed some discretion in view of circumstances. The Standing Orders state explicitly that Question Period shall end at 3:00 o'clock p.m. but because there were members who wanted to ask questions, Mr. Speaker kept Question Period going.

It seems, Mr. Speaker, when you have the concurrence of the overwhelming majority of the House to recognize that at 6.01 p.m. or 6.02 p.m. we were still sitting, it seems appropriate at least to put the motion and whatever happens, happens.

Mr. Speaker: I want to respond to the hon. government House leader. As hon. members know, this House can do what it wishes when there is sufficient determination to do so. I certainly cannot find anything unreasonable about the suggestion of the hon. government House leader, especially given the response of the Official Opposition. But, it is not my place to get into that argument. We can proceed now and dispatch this bill in only a few minutes if there is agreement. If there is not agreement, we cannot proceed.

I am going to ask the House again: Will the House consent to continue the sitting?

An hon. member: No.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, one point has to be made clear. The Official Opposition is willing to support the wishes of the government. However, before we leave this place tonight, the government must understand once and for all—and this is said with no hard feelings—that all members of this House are equal and that, when there are deals to be made, all members should be consulted.

[*English*]

The only reason I could put to the House a very difficult point that required unanimous consent was because I went to see the then hon. member for Moncton, Mr. Jones, who was totally and adamantly opposed to what I was suggesting. He said: "Because you came and treated me as a member of the House who could say no, I give you my consent".

For future reference, maybe every member should be consulted when we need unanimous consent. There is no unanimous consent. We are ready to go ahead but there is not unanimous consent.

Mr. Speaker has decided that if there is not unanimous consent, we cannot proceed, therefore we should listen to Mr. Speaker and adjourn. Merry Christmas, Mr. Speaker.

Mr. Speaker: I listened carefully to the government House leader. It is true that earlier today I did not see the clock, but there seemed to be unanimous agreement that that was acceptable.

The hon. government House leader has indicated to me that there was not unanimous agreement and I should certainly be more careful in the future. Again, as long as the public knows exactly what is taking place here, the government has asked for consent to move and finish the bill.

It will require consent. There is not consent. As a consequence, I must say that as it is past 6:00 o'clock p.m., pursuant to order made earlier this day, this House stands adjourned until Monday, February 18, 1991, at 2:00 o'clock p.m. pursuant to Standing Order 24(1).

The House adjourned at 6.12 p.m.

HOUSE OF COMMONS

Friday, December 21, 1990

The House met at 11.30 a.m.

Prayers

[*Translation*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bills: Bill C-90, an Act to amend the Bank Act (extension) and Bill C-92, an Act to amend the Northwest Territories Act.

* * *

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received as follows:

Rideau Hall Ottawa,

December 21, 1990

Sir,

I have the honour to inform you that the Hon. Peter C. Cory, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 21st day of December, 1990, at 11.30 a.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

THE ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

And being returned:

Mr. Speaker: I have the honour to inform the House that when the House went up to the Senate Chamber the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-90, an Act to amend the Bank Act (extension)— Chapter 47; and

Bill C-92, an Act to amend the Northwest Territories Act —Chapter 48.

[*English*]

Mr. Speaker: It being 11.45 o'clock a.m., pursuant to Order made Wednesday, December 19, 1990, this House stands further adjourned until Monday, February 18, 1991, at 2 o'clock p.m.

At 11.48 a.m. the House adjourned, pursuant to special order.

HOUSE OF COMMONS

Tuesday, January 15, 1991

The House met at 11 a.m.

Prayers

[*English*]

HOUSE OF COMMONS

RECONVENING OF PARLIAMENT

Mr. Speaker: Order, please. I wish to inform the House that, in accordance with the order of the House made Wednesday, December 19, 1990, and after consultation with the government, I caused to be published in an extra edition of *The Canada Gazette* a notice calling the House to meet this day.

In addition, on Sunday, January 13, 1991, I sent an electronic message to each member of the House containing the substance of that motion.

[*Translation*]

I also wish to inform the House that, in accordance with the government's representations and pursuant to Standing Order 55(1), I have caused to be published a special *Order Paper* giving notice of a government motion on the crisis in the Persian Gulf.

[*English*]

I now lay upon the table a letter dated Saturday, January 12, 1991 from the Leader of the Government in the House of Commons in relation to that notice.

* * *

NEW MEMBER

Mr. Speaker: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election and return of the Hon. Jean Chrétien, member for the electoral riding of Beauséjour.

Some hon. members: Hear, hear.

NEW MEMBER INTRODUCED

Mr. Jean Chrétien, member for the electoral district of Beauséjour, introduced by the Hon. Herb Gray and Mr. Marcel Prud'homme.

* * *

[*Translation*]

NEW MEMBER

Mr. Speaker: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election and return of Mr. Maurizio Bevilacqua, member for the electoral riding of York North.

* * *

[*English*]

NEW MEMBER INTRODUCED

Mr. Maurizio Bevilacqua, member for the electoral district of York North, introduced by the Hon. Jean Chrétien and Mr. Sergio Marchi.

• (1110)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the serious international circumstances that prevail intrude on what is traditionally a light-hearted and respectful welcome to a new leader of any party and, of course, to a new Leader of the Opposition. I would have enjoyed that combination of tribute and welcome today. Most members would agree, and I know the Leader of the Opposition has already indicated to me that he would hope we err on the side of brevity this morning, which I will do.

On behalf of all members, I would like to extend a very genuine and a warm welcome to a very distinguished parliamentarian and a very fine Canadian, the Hon. Jean Chrétien.

Some hon. members: Hear, hear.

Mr. Mulroney: Mr. Speaker, the very distinguished parliamentary career of the new Leader of the Opposition reaches back over a quarter of a century. His very distinguished career in House of Commons is evidence of the fact that the very nature of the Commons is such that while strong disagreements can, and will always take

place on both sides of the aisle, they do so with a fundamental respect for the rules of parliamentary procedure as opposed to any kind of violence, verbal or otherwise, that can inhibit and ultimately destroy parliamentary democracy.

I salute the hon. member for his contributions in the past. I know that we all look forward to his participation in debates of national and international significance.

[*Translation*]

As the new Leader of the Opposition is well aware, there is no shortage of challenges in this country. We are counting on the new member for Beauséjour and new Leader of the Official Opposition to contribute in a way that is both constructive and useful to the debate on the major national and international issues of the day.

[*English*]

I would like to say on behalf of all members of the House of Commons that we welcome Jean Chrétien back to the floor of the House. We wish him and his family well. We do not wish him all the success in the world, but as much as one can hope for the Leader of the Opposition. I remind him that he has already demonstrated extraordinary ability for that particular role. If he keeps it up, I know that Canadians will reward him further with a long stay in that particular position.

[*Translation*]

Some hon. members: Hear, hear.

Mr. Mulroney: Good luck, Jean!

Some hon. members: Hear, hear.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, with my colleagues, I have the pleasure of welcoming the member for Beauséjour and the member for York North back to this Chamber.

On behalf of my colleagues I would like to congratulate both members on their successes. I would also like to take the opportunity of congratulating the Leader of the Opposition on his election as the leader of his party.

The member for Beauséjour, as the right hon. Prime Minister has indicated, has much experience to bring this House, having been first elected in 1963, when Tommy Douglas was the leader of my party and John F. Kennedy was President. It is a time when we need that kind of experience in the House. We certainly welcome the wisdom that Mr. Chrétien brings.

[*Translation*]

I am sure the Liberal leader will join millions of Canadian men and women who, with us, want to find a peaceful solution to the crisis in the Middle East.

The House was recalled for members to consider the most serious issue that has been before this House in many years. This is not a partisan issue. It is not a matter of party politics. It is about the future of Canada and the whole world.

[*English*]

For that reason we are particularly pleased—and I speak on behalf of my party and myself—to have the Leader of the Opposition with us in the House on this important and sombre occasion. While I wish him well, I can only wish him limited success.

As well, I would like to say that we will miss the interim leader, the hon. member for Windsor West, who certainly also brought much honour to the House.

Some hon. members: Hear, hear!

Ms. McLaughlin: Mr. Speaker, while the Leader of the Opposition and I will share very different opinions at certain times, I can say with great certainty that, as Mr. Chrétien has shown in the past, we will all serve the interests of Canada to our best. I know the Leader of the Opposition has that interest foremost in his mind.

Welcome to the House of Commons.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I must say that I am greatly moved by this tribute from the Leader of the Government and the Leader of the New Democratic Party.

As the Prime Minister said earlier, under normal circumstances this would be a pleasant opportunity for some spirited exchanges and a lot of good humour, all of which would show that despite that which separates us

here in this House, all members elected to the House of Commons have only one objective: the well-being of Canadians. Our objectives and viewpoints may often differ, and we may express them quite forcefully, but we have received from our constituents a mandate to show Canadians what the best way is to run this country.

[*English*]

I would like to say to the Prime Minister and the Leader of the New Democratic Party that for me to be back under these circumstances unfortunately takes away at a time when I would like to have some light exchanges. The Prime Minister is very good at that, as is the Leader of the New Democratic Party, but today is a difficult day and it does not call for that. I would like to thank the Prime Minister and the Leader of the New Democratic Party.

I would like to offer my congratulations to the new member for York North who has done something unprecedented.

Some hon. members: Hear, hear.

Mr. Chrétien: He is probably the first member of Parliament in our history to walk down the aisle twice in the same Parliament. I think that is a very good precedent that will lead us to walk down the aisle very soon, but the other way.

Some hon. members: Hear, hear.

Mr. Chrétien: I would also like to say a few words about my election.

[*Translation*]

First of all, I wish to thank the hon. gentleman, Mr. Robichaud—

Some hon. members: Hear, hear.

Mr. Chrétien: —who gave me the opportunity to take my seat today. I also would like to thank the voters in the electoral district of Beauséjour who placed their trust in me at a crucial moment in Canada's history. I hope I will be a very good member for my constituents and I will try to be as good as my predecessor, Mr. Robichaud.

• (1120)

Before I sit down, I would also like to thank the hon. member on my right who was the leader of this party for nearly a year and who did an exceptional job.

Some hon. members: Hear, hear.

Mr. Chrétien: Mr. Speaker, I can assure you that I fully intend to offer the Chair the same level of co-operation as did my predecessor from Windsor West and another predecessor, who is still a member of this House but unfortunately not in the House this morning, the hon. member for Vancouver Quadra. Both are very experienced parliamentarians who always understood the very difficult role the Speaker of this House has to play every day, in sometimes difficult circumstances.

[*English*]

In conclusion, I would like again to say thank you for the graciousness of the Prime Minister and the Leader of the NDP in welcoming me to the Chamber. I want to offer to both of them my collaboration. As I said, we are all here to serve the nation the best we can. We are here in a very difficult time. It is the time to get into the business of the nation, of war and peace that is troubling the nation.

For this welcome, to all members of Parliament I would like to say a very profound *merci beaucoup*.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

UNION OF SOVIET SOCIALIST REPUBLICS

ACTIONS IN LITHUANIA

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there have been extensive consultations, carried out principally by the member for Scarborough Centre, and I think you would find there is unanimous agreement in the House to adopt, without debate, the following resolution which I would propose to move, seconded by my colleagues from Parkdale—High Park and Winnipeg Transcona:

Be it resolved

That this House condemns the brutal and unacceptable Soviet crackdown in Lithuania, and calls upon President Gorbatchev and

U.S.S.R. authorities to refrain from using further violence against the people and democratically elected governments of Lithuania, Latvia and Estonia.

[*Translation*]

That this House appeals to the U.S.S.R. to adhere to its obligations under the Helsinki Final Act and the Charter of Paris, and to seek solutions consistent with respect for fundamental human rights and freedoms; and

That, recognizing the continuing Canadian government policy not to recognize *de jure* the annexation of the Baltic States, this House recalls its Resolution of March 1990 and continues to support the right of the Baltic peoples to determine their own future.

[*English*]

Mr. Speaker: The House has heard the motion. Is there agreement?

Some hon. members: Agreed.

Motion agreed to.

Mr. Riis: Mr. Speaker, I rise on a short point of order.

Considering that we are about to launch into a very historic and important debate where the need for a maximum exchange of ideas is critical, there have been communications between the parties in terms of the proposal that we consider, after the first round of speeches by the leaders, entering into Committee of the Whole to maximize the positive and meaningful exchange between members.

I wonder, Mr. Speaker, if you would seek the unanimous consent of the House to move to Committee of the Whole after the first round of speeches by the leaders.

Mr. Andre: Mr. Speaker, as the House knows, there have been resolutions on this subject passed twice in the House and referred to the Standing Committee on External Affairs and International Trade, where that kind of discourse with officials and experts has been going on and continues to go on.

We thought it appropriate for this very important subject at this very important and critical time that the formal debate procedures of the House of Commons would be the best way to proceed. But, in terms of any other modifications to our Standing Orders or procedures that might expedite the kind of discourse, I would certainly be prepared to engage in discussions with House leaders about that at a future time.

Mr. Gauthier: Mr. Speaker, I take the remarks of the government House leader as a negative and that the government does not feel at this time time that the proposal put by the New Democratic Party requires its approval.

I regret that immensely because the Committee of the Whole would have allowed members of the House to have a dialogue with ministers on the other side. It would have also allowed for repeated questions to be put to the government and a more democratic debate.

Mr. Speaker: The hon. member for Kamloops has put a suggestion to the House under motions. At the moment, there is not consent and it is now my duty to continue with Routine Proceedings.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

Right Hon. Brian Mulroney (for the Secretary of State for External Affairs) moved:

That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

He said: Mr. Speaker, on August 2 Saddam Hussein launched a war against Kuwait. His invasion and subsequent annexation of Kuwait are grievous violations of the most basic principles of international law and of human decency. We are here today to reaffirm Canada's support for the United Nations' efforts to bring those violations to an end.

On October 23, the House approved sending Canadian Forces members, vessels, and aircraft to participate in the multinational military effort in the Persian Gulf.

On November 29, the House passed a further motion, supporting the United Nations and, I quote, supporting "the United Nations in its efforts to ensure compliance with Security Council resolution 660 and subsequent resolutions", notably resolution 678 co-sponsored by Canada and passed the same day at the United Nations. Resolution 678 gives Saddam Hussein one final opportunity to comply with the will of the world community as expressed in successive United Nations resolutions. The 47-day pause for peace provided for in resolution 678 ends tonight.

Indeed, Mr. Speaker, as we consider this matter on the floor of the House of Commons, efforts continue at the United Nations with a proposal that contains elements that are similar to ideas advanced in writing by Canada to the United Nations Secretary-General last week.

• (1130)

[*Translation*]

Diplomacy has been and is still being given every chance. Following U.S. Secretary Baker's unsuccessful meeting with Iraqi Foreign Minister Aziz last week in Geneva, the Secretary-General of the United Nations, Mr. Perez de Cuellar, made the second of two visits to the Middle East on this issue. His appeal to Saddam Hussein to leave Kuwait was callously rebuffed once again. Mr. Perez de Cuellar told journalists yesterday that he saw "no reason to have any real hope". He has reported that Saddam Hussein "never mentioned. . .that he was prepared to withdraw from Kuwait." No one could have failed to notice Saddam Hussein's contempt for international opinion, international law, and common decency.

[*English*]

United Nations resolution 678 authorizes member states to use all necessary means to uphold and implement the relevant UN resolutions on this crisis and to restore international peace and security in the area.

Resolution 678, approved by this House on November 29, also requests all member states, including Canada, to provide "appropriate support" for actions taken in pursuance of this important goal.

The choice of peace or war remains Saddam Hussein's, and only his, as it has been for the last five and a half months; but time is very quickly running out on him.

Regardless of how they cast their vote last November 29, members on all sides of the House hope that hostilities will not be necessary.

It was clear to all of us then that we might have to impose the ultimate sanction on Saddam Hussein, military force, if he did not withdraw his forces illegally stationed in an innocent member state.

The United Nations made the threat of the use of force to, persuade Saddam Hussein of the seriousness of the UN's determination to see him out of Kuwait. It was not an empty gesture.

The question before Canadians now is a simple one. If Saddam Hussein does not withdraw peacefully from Kuwait and the use of force is required, where will Canada stand? On this simple question of right and wrong, will we continue to support the international coalition, or will we stand aside and hope that others will uphold the rule of international law?

There are very significant and understandable differences of opinion on such an important and sensitive international issue that has impacts of all kinds—many of them incalculable today—on the lives of many Canadians and many people around the world.

I understand and I respect the views of all members on all sides of this issue as they consider such a profoundly troubling and difficult issue and the manner in which it can be best confronted while keeping in mind the national interest and our international obligations.

The Government of Canada and I, as Prime Minister, have reflected very carefully on all aspects of this problem as I understand them. Our entire policy of the government is similar to policies of previous governments when confronted with similar challenges.

Our entire policy has been designed to achieve a peaceful solution to it. If, however, Saddam Hussein continues to reject the will of the United Nations, Canada will join with the United Nations in expelling him from Kuwait by force.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Mulroney: Kuwait may seem a remote place geographically and culturally, but so did Manchuria in 1931, Abyssinia in 1935, and Czechoslovakia in 1938. While, in the thirties, these were little known places, in the nineties they figure in our history books as the stepping stones to World War II. In each case what has been described by a leading historian as "a profound pacifism, an almost doctorinaire insistence on peace regardless of the circumstances" led the League of Nations to turn a blind eye to aggression—and the world paid a price in millions of avoidable deaths in World War II.

What is happening in Kuwait has direct and substantial effects on Canada's interests. As a country with a comparatively small population, with two superpowers as neighbours, and with our own limited military capacity, Canada's most basic interest lies in the preservation of international law and order. The United Nations and its charter are essential to the rule of law and to the respect of the integrity of small countries by larger neighbours.

[*English*]

The architects of the United Nations—and Canadians were among them—were determined "to make absolutely certain", as Lester Pearson wrote in 1945, "that never again should an aggressor be permitted to strike down one nation after another before the peace loving nations of the world organize and take concerted action against it".

The fundamental purpose of the United Nations itself, as proclaimed in Article 1 of its charter, is "to maintain international peace and security" by taking "effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace".

That is in the founding charter of the United Nations itself. Those are the principles that we pledged to uphold when we helped found and subscribed to the fundamental precepts based on the notion of the respect for international law almost 50 years ago.

[*Translation*]

With the exception of Korea, the UN has been prevented by the cold war from either suppressing acts of aggression or preventing them, as the Suez crisis, Vietnam, Afghanistan and the Arab–Israeli wars, among dozens of other conflicts, make clear.

Today, with the extraordinary unanimity that has accompanied the relaxation of east–west tensions, the authority vested in the UN by its architects—including Prime Ministers King, St. Laurent and Pearson—can be exercised by our generation to preserve international law and order.

Saddam Hussein's challenge raises the stakes for the UN. Because, while this crisis provides an opportunity for the UN to play the role Canada has always wanted it to play, regrettably it also provides an occasion for the UN to fail to do so. And if the UN were to fail to do so, a large part of the principles, objectives and efforts of 45 years of Canadian diplomacy would have been for nothing.

Our generation, having ignored the lessons of history, could be condemned to re–live some of history's darkest chapters. Saddam Hussein would become an example for other potential bullies, making the world an even more dangerous place than it is already. Nations would be left alone to defend themselves against aggression and a new arms race would be launched.

• (1140)

The UN—designed to prevent a return to the rule of the jungle—could go the way of the League of Nations, and this at a time when international problems—from the environment to human rights to debt to development to drugs to the protection of children—can only be resolved collectively, and when a credible, effective UN has never been more necessary.

These are not abstract issues to Canada. They are not someone else's business. They are direct, vital Canadian interests, and they are engaged fully in this question. The UN cannot be allowed to fail at this critical moment in history.

[*English*]

The argument is made by some that Canada should hold itself back now in order to play a peacekeeping role later. Were Saddam Hussein to succeed in his annexation of Kuwait, he would be in a position to threaten the entire Middle East, and he is in the process of threatening individual nations as we speak.

With the time and the wealth he would acquire, he would add further weapons of mass destruction to his arsenal, including in all probability nuclear weapons. In what position would this put his neighbours? After Iran and Kuwait, what would be his next target? Saudi Arabia? Jordan? Would we hold ourselves back again, waiting for the latest atrocities to end so that Canada might then be invited in as part of a peacekeeping force?

Saddam Hussein has threatened directly to attack Israel with weapons of mass destruction. In the face of extraordinary provocation from Iraq, as evidenced by Foreign Minister Aziz' deplorably aggressive threat from Geneva last week directly to mount an assault on Israel, Israel has demonstrated remarkable restraint.

Should Saddam Hussein move against Israel, would we still hold ourselves back in the hope that we would be called in later to help keep what is left of the peace in what is left of the Middle East?

This course is a prescription for neither wisdom nor responsibility and it is not a course that Canada should follow.

Some hon. members: Hear, hear.

Mr. Mulroney: It is also argued that a peacekeeping role would be more in keeping with Canada's traditions. There is no reason at all, none whatsoever, to believe that a peacemaking role now disqualifies Canada for a peacekeeping role later.

Participation in the Korean War did not prevent External Affairs Minister Pearson from helping to create the United Nations peacekeeping function. Membership in NATO and NORAD has not prevented us from participating in every United Nations peacekeeping operation but one since the beginning of the international organization, and supporting right over wrong in the Persian Gulf does not preclude a peacekeeping role for Canada there following hostilities.

Like all Canadians, we are justifiably proud of Canada's peacekeeping traditions. But peacekeeping is only part of Canada's traditions. Standing firm for what we believe in and fighting if necessary is also a Canadian tradition and one that we remember most solemnly every November 11.

More than 1,700,000 Canadians participated in World Wars I and II and in Korea; 100,000 graves in Europe and Asia that bear silent but eloquent testimony to the courage and will of Canadians to stand for what we believe is right.

A terrible wrong is being committed by Saddam Hussein and I believe it is a terrible wrong which, if unchecked, could lead to horrific consequences for other nations in the region and indeed the entire world. A terrible wrong is being committed by Saddam Hussein, and I believe and this government believes that it is the moral duty of the international community to stop him now.

His motives in attacking Kuwait were self-aggrandizement and greed, nothing more difficult than that to understand: greed, money, territory, access to the sea, greed. That is the reason that for the first time one Arab state invaded another, a peaceful neighbouring state that had co-operated freely and generously with its neighbour.

[*Translation*]

To confuse international opinion, he has attempted to link the Persian Gulf crisis with the Palestinian issue. No one believes he invaded Kuwait to help the Palestinians. Everyone can see he is trying to rationalize his invasion of Kuwait after the fact and to undermine the multinational coalition now facing him. His attempt to portray the occupation of Kuwait—and the atrocities and murders he perpetrated on other Arabs—after all, he is the one who initiated such violence against his Arab neighbour—as somehow advancing legitimate Palestinian interests and concerns is both beyond understanding and beneath contempt.

Since we last debated this crisis in November, we have received the Amnesty International report detailing the extent of murders, rapes and brutalization in Kuwait. Torture and executions of non-combatants, including young children, have been wide-spread and accurately reported by the Amnesty International officials. I urge all members of this House to read this eye-opening and distressing report. Thousands of people have been subjected arbitrarily to arrest and detention. Hundreds of thousands of people have been forcibly evicted from Kuwait. A systematic effort is being ruthlessly carried out to erase the identity of a nation.

Notwithstanding these atrocities, some still make the argument that economic sanctions should be given more time to work. That is an interesting point of view and I look forward to hearing what the members think of that for, in my opinion, the most fundamental question we must ask ourselves is will sanctions alone work? The sanctions and the naval and air blockades have succeeded in stopping a great deal of Iraq's foreign trade. There

is no doubt about that. They are also unquestionably having an impact on economic conditions and living standards within Iraq. Iraqi oil production is down substantially. At the same time, there is clearly leakage of foodstuffs and components through the embargo.

• (1150)

[*English*]

An appropriate question is, how much time will it take for sanctions to work: six months, sixteen months, sixty months? Obviously, no one knows. The essential point in regard to sanctions that we all must remember is that Saddam Hussein has demonstrated limitless tolerance for the suffering of his own people.

This is a man who put his nation through eight pointless years of a war that took almost a million lives. It was so pointless, in fact, that in August he gave back almost everything that he had gained from that eight-year war with Iran in order to purchase Iranian neutrality in this particular conflict to make sure that he was not attacked from another flank. Eight years of extraordinary suffering and devastation inflicted on two countries, hundreds of thousands of young lives lost, and whatever was gained was turned back in an instant to procure the neutrality of somebody who might attack him while he was engaged in attacking an innocent Arab neighbour.

While industrial production is down substantially because of shortages of imported goods, Saddam Hussein will always ensure that the Iraqi armed forces are guaranteed the absolute top priority to key commodities. He will not hesitate, as the evidence of history clearly indicates, to pass on any amount of suffering and deprivation to his own people. Their well-being and security is clearly the furthest thing from his mind. But there is no evidence that sanctions have caused a groundswell of public discontent.

In fact, there is no reason to believe that the sanctions are having the desired effect at all. The desired effect is not to inflict damage on the armed forces tomorrow morning, but to get Saddam Hussein to withdraw from Kuwait by tonight. His objective is different from ours. We want him removed from Kuwait and he very much wants to stay there.

There is every reason to believe, based on his most recent statements last night and this morning and confronted with the extraordinary resolutions of the United Nations, that he has not the slightest intention, at least not so far, to indicate that he will respect and honour the commitments of the United Nations. He is determined to stay. He shows every sign of trying to out-wait the international community in the hope that events sooner or later will split the United Nations coalition.

Given the volatility of world affairs, especially in the Middle East, his gamble might very well work. In weighing the arguments in favour of using force, it must obviously be conceded that the risks and costs of a war are literally incalculable but that they would certainly be substantial in lives and resources. How risky and how costly would depend on a number of factors. How long would the war last? How strongly would the Iraqi forces resist? Could war be limited to the Iraq-Kuwait theatre or would it spread? How much damage would the environment sustain?

These are fundamentally important questions which I acknowledge. Unfortunately, there are no firm answers from anyone anywhere to these questions at this moment.

But while we concern ourselves and properly so with these questions, we must also guard against the tendency to regard waiting as cost-free. The fact is that there are also absolutely incalculable costs to waiting. The destruction of Kuwait continues unabated. An entire nation is being systematically dismantled and destroyed before our very eyes and human rights abuses continue at a pace and on a scale with few precedents in modern times.

Furthermore, the international economy is being damaged, and the poorest people in the Third World are the most affected. The funds that are paying for a massive military presence in the gulf are not available to the fledgling democracies of Eastern Europe, with potentially critical consequences for their futures.

And all the while that we wait for sanctions to work, the Iraqi defences become increasingly formidable. If it requires hostilities to get Saddam Hussein out of Kuwait, the costs in terms of casualties among the coalition partners, including Canada, probably increase with every day and every week that passes. So, while a war is certain

to be very costly, waiting to see if sanctions will work is very costly as well.

If sanctions failed at the end of the given period of time—16 months, 36 months, whatever—what then would be the guarantee that the coalition would still be united and able to fight 16 months down the road, let alone 60? And fight for what? Fight for the integrity and respect of the United Nations without which a civilized world cannot exist.

Were Saddam Hussein to succeed, the costs to Canadian interests—and I define Canadian interests very clearly to include the discrediting of the United Nations, the distortion of international order, the trampling of human rights—and the impact on the world economy would be unacceptable.

I have heard it said that Canadian interests are not engaged. When the United Nations is discredited, when a member state is invaded, when human rights are being abused, when people are being slaughtered, I say that Canada's rights and Canada's interests are very much engaged and must be defended.

Some hon. members: Hear, hear.

Mr. Mulroney: For all these reasons, the government believes that Canada should continue to support the United Nations in taking all possible measures to cause Iraq to withdraw from Kuwait.

Some allege that the government is simply following the lead of the United States administration on this issue. This is perhaps the most tired and threadbare accusation of all, because as Prime Minister Pearson wrote derisively in his memoirs: "a sure way to get applause and support at home is to exploit (Canadians') anxieties and exaggerate (their) suspicions over United States power and policies", and Mr. Pearson was right.

It should not be surprising or offensive to anybody that the views of free nations often coincide. In fact, in this case the views of all leading western nations led by governments of very different political stripes, including the United Kingdom, Italy, Australia, France, the United States, and Canada, are in harmony.

Why not? We all share the values of liberty, democracy and equality before the law. Our institutions all draw their validity from the free expression of the wills of our people. In foreign affairs, we all stand for the respect of international law.

It is certainly not surprising to members of this government that in light of the stakes on this issue these democracies, leading western industrialized democracies, all back the United Nations very strongly.

Some hon. members: Hear, hear.

Mr. Mulroney: Canada worked hard to persuade the United States to work within the United Nations and to forgo unilateral action. The international coalition knows it must now be prepared to stand up for what is right.

• (1200)

Bob Hawke, the distinguished Prime Minister of Australia and leader of the socialist party in his country, the Labour Party, in weighing the same considerations we are weighing today, told his Parliament on December 4:

> —if conflict occurs of a kind which is contemplated and authorized by the (United Nations) resolution, (Australian) ships will be available to participate fully in actions with the allied fleet—

[*Translation*]

François Mitterrand, President of France and leader of his country's Socialist Party, has made clear his country's position when he said, and I quote: "France considers a complete withdrawal from Kuwait to be an inviolable principle. Moreover, (France) holds that the January 15th deadline cannot be postponed or extended for any reason whatsoever". The President of France concluded that: "If the conditions that have been set are not fulfilled, then France will be doing its duty."

[*English*]

In the United Kingdom, Prime Minister Major has been equally clear and consistent on this point.

Mr. Neil Kinnock, the Leader of the Opposition in the United Kingdom, said last week that his party, the socialist party, the Labour Party of the United Kingdom, "will not, in the interests of distancing ourselves from the government, distance ourselves from our forces or from our obligations to the United Nations".

Some hon. members: Hear, hear.

Mr. Mulroney: We know now that both chambers of the United States Congress have voted to support the administration in the implementation of UN Resolution 678 to get Saddam Hussein's forces out of Kuwait.

[*Translation*]

As a matter of fact, Mr. Speaker, Canada's policy from the beginning has been a two-track policy: working relentlessly for peace, but preparing for hostilities if diplomacy failed. In fact, the record will show that from the day Iraq invaded Kuwait we have carried on very extensive, diplomacy designed to find a peaceful solution to this crisis. We have consulted widely in the region, and elsewhere, promoted the importance of the UN as the instrument of the world's response, urged a prompt withdrawal by Iraq, and counselled prudence on our allies. A full outline of all of our principal efforts since last August will be set out by the Secretary of State for External Affairs when he speaks in the debate later today. I am satisfied, Mr. Speaker, that we, in Canada—as I believe every member of this House will recongnize after having heard the Secretary of State for External Affairs—have done everything possible to promote a peaceful outcome to this crisis.

[*English*]

No one wants a war, least of all those to whom it falls to fight. I am sure that I speak for every member of this House and for all Canadians in expressing my deepest admiration for the dedication, the professionalism, and the courage of the Canadian service men and women in the Persian Gulf today.

Some hon. members: Hear, hear.

Mr. Mulroney: I am sure that whatever our policy views, whatever differences we may have from time to time, we in this House will be unanimous in supporting these outstanding and courageous men and women. They are there in the defence of the values and interests of all Canadians. They deserve the country's gratitude and support. Both they and their families have the prayers of all members of the House for a safe return.

If war comes, Canadians will be at risk.

[*Translation*]

Saddam Hussein has openly and blatantly threatened to use weapons of mass destruction in the region and to sponsor terrorist activity abroad as well. We have, therefore, advised Canadians that they should defer travel to the region and, if they are already there, to consider leaving now. CSIS and the RCMP have increased their levels of alert.

On this point, I want to reassure Iraqi Canadians that they will not be subject in any way to illegal surveillance or unwarranted detention, as was the case in regard to other citizens during World War II. That lesson fortunately has been learned in this country.

The House has been recalled today, in these serious circumstances, to permit members to express themselves on the Gulf crisis in the full knowledge of the facts and of the government's position on them. We are asking that the opposition join, if possible, in re-affirming Canadian support of the UNin securing the withdrawal of Iraq from Kuwait. This procedure is consistent with our tradition in the past.

In 1939, in equally serious circumstances, the then Leader of the Opposition stated in this House for example—no comparison is perfect of course, but I mention it as an example—that: "We are going through a very grave crisis,. . . it is no exaggeration to say that this is a war for the preservation of human liberty. So far as my party is concerned. . . there will not be. . . anything in the way of political manoeuvring or captious criticism."

[*English*]

In June, 1950, one of the most distinguished servants of this House, the Hon. Stanley Knowles, speaking on behalf of his party on the Korean crisis, pledged his party's "complete support of the principle of collective security and their readiness to carry their support of that principle into all it may involve".

Mr. Knowles went on to say that "the government has the concurrence of all of the groups in this House in its readiness to support the action"—the military action as it then was—"taken by the United Nations. That is clearly our obligation and that way alone lies hope." Mr. Knowles concluded by saying on the floor of this House, "If we can deal with this present crisis on that basis and demonstrate the effectiveness of collective action for peace we may yet achieve much more in that direction than at times we have dared to hope".

As it was in 1950, so it is today in 1991. The government is acutely conscious of the gravity of the situation. Canada is a peaceful country. Canada Day is an occasion for family gatherings and friendship and not for bombast and military parades. Canada is a country that stands for decency and peace and we are also a country that stands for principles, respect for law, freedom, and human dignity.

The fundamental truth in this debate is that if we want peace we must defend these principles for which the United Nations stands. We must be prepared to stand up for what is right. To do otherwise is to signal to Saddam Hussein and to all other potential aggressors that the United Nations is incapable of responding effectively to aggression. No moral superiority accrues to those who stand on the sidelines and let others defend their principles. Canada is a peaceful country, but Canada is neither a neutral country, nor a country that expects a free ride.

• (1210)

Most members of this House, including me, are too young to have had personal involvement in war. All of us, however, know the devastation that war has brought to too many nations and the sorrow that it has visited upon too many families in this country alone. As a result, for successive governments over decades, the avoidance of war has been the principal thrust of Canadian foreign policy. Over the decades Canada has made contributions to the cause of peace that have been substantial and effective. But we have always known, as Canadians, that peace comes to those who are willing to defend it.

Indeed, it is because our parents and theirs courageously resisted aggression in the past in places far away, that we today are members of this democratic parliament in a free and an independent country.

Some hon. members: Hear, hear.

Mr. Mulroney: I believe, Mr. Speaker, that we honour that heritage and we respect noble Canadian traditions of valour today by standing firm in support of the United Nations and all the hope and the promise that a rejuvenated and strengthened United Nations brings to the entire world.

I believe that we honour that heritage and respect noble Canadian traditions today by standing firm in support of the only international institution that can guarantee a durable peace in the world. If anything can, it is the United Nations and we must stand today in helping the United Nations to suppress aggression against an innocent member state. That has been Canada's tradition over decades and I believe that remains Canada's obligation today.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, as I rise in this House today, I am saddened and concerned, as I believe all Canadians are at this time. We may be only a few hours away from a conflict, a war in the Persian Gulf.

[*English*]

A long and dark shadow, a shadow of death, hangs over the Middle East. A long and dark shadow, a shadow of death, hangs over hundreds and hundreds of Canadian women and men in the Middle East today. Therefore, today is a day for calm and it is a day for quiet deliberation.

Our duty is to promote peace, not war. The clock is ticking. There are only a few hours ahead of us. So all of us must move with caution, we must move with care.

I would like to say to the Prime Minister that we are not debating at this time the support of the UN. We all support the UN.

Some hon. members: Right on.

Some hon. members: Hear, hear.

Mr. Chrétien: Today, we are debating war and we are debating Canadian participation in a war.

The problem we all face is why the Prime Minister has not chosen to ask the real question of the House today. This is the question with which the country is faced: Should Canadian troops participate in a war, perhaps at midnight tonight, between Iraq and the United States? That is the question we are facing at this moment and it is the question that we have to answer.

We all supported the government up to a point last November. On August 2, the Security Council of the United Nations passed resolution 660 after the invasion of Kuwait by Iraq. We approved that resolution of condemnation of the action of Iraq. On August 6, there was another resolution of the Security Council asking for economic sanctions against this country that had invaded

Kuwait. We in this House all supported the economic sanctions against Iraq.

Later, on August 25, there was another resolution of the Security Council to authorize military action to enforce the sanctions in the Gulf. We all supported that resolution. We all applauded the action of the UN at that moment because we thought that we were getting into a new order in the world, where it would be possible to have a collective action to act. We were happy. The cold war was over. There was a new hope that it was possible to act collectively to maintain peace around the world.

Some hon. members: Hear, hear.

Mr. Chrétien: We were all of the opinion that sanctions were needed and we were all hoping that sanctions were working. But suddenly, in November, resolution 678 was presented. At that time we had anticipated what was going to happen and we decided not to support the government. We realized that the decision made in August was a decision that called for embargoes and sanctions and it was going to take time.

I can quote the President of the United States and his Secretary of State who in October told the American Congress, before their elections there, that the sanctions were working.

Some hon. members: Hear, hear.

Mr. Chrétien: Later in the fall, the same thing happened. The head of the CIA, William Webster, talked about all the problems that the sanctions and the embargoes were causing to Iraq. He talked about more than 90 per cent of Iraq's imports and 97 per cent of exports having been stopped. Industrial production in Iraq has declined by 40 per cent since August. All that was said in October. He talked about the problem of putting exchange restrictions so that they had no more money to buy anything to maintain their equipment.

That was in the fall. But within a few days, we did not hear about sanctions or embargoes any more. The question was about the resolution with a deadline. We said at that time and we say again today that we strongly reject the use of force now—

• (1220)

Some hon. members: Hear, hear.

Mr. Chrétien: —because the embargo has not been given enough time to work.

Since November, military deployment to put pressure on Iraq has developed a momentum of its own which has outpaced the march for a negotiated settlement. The January 15 ultimatum has reduced the room for diplomatic activity because an ultimatum is not negotiable. We predicted at that time that we would be faced with this problem today, that the ultimatum would not work.

I would like to clarify something that is very important to all Canadians and that is what the Security Council has authorized in resolution 678. It has given licence to individual members of the United Nations to use force after January 15. That was the resolution. But, it has not activated the UN charter provisions which regulate the use of force by the United Nations. This is a fundamental difference in the debate.

Of course we participated in the group that enforced the embargoes. Thirty-one countries have joined us in enforcing the sanctions and embargoes. But today we are on the verge of war. How many of those 31 countries will go to war if there is a war tonight at midnight? How many? Eight or nine? Certainly not 31. What is so frustrating is that after the presentation of the Prime Minister today we are not sure if we will be in that position if confronted with war today. That is what is so embarrassing for us.

Over the weekend, while debate was going on in the United States of America, we listened to senators and congressmen talk about war and the participation of their people in war. They talked about the American interests in the Middle East. They did not debate the United Nations. They debated the participation of Americans in a war.

An hon. member: Right on.

Some hon. members: Hear, hear.

Mr. Chrétien: Why are we not facing the problem in the same way here when there is anxiety in the Canadian people today? They do not know exactly what is going on. This is the problem.

For us, it is clear. The action of the government has put us in a position where it looks to me and members of

this party that the Prime Minister has not stated clearly, if there is a war tonight, whether or not we will be part of that war. It is unacceptable.

Some hon. members: Hear, hear.

Mr. Chrétien: We said that military action is premature. We said that military action at this moment is unwise. It is very dangerous for long-term security in the Middle East and for the viability of the UN.

I would like to say to the Prime Minister that it is very, very easy to start a war, but it is very difficult to stop a war.

Some hon. members: Hear, hear.

Mr. Chrétien: My view and the view of my party is that it is premature to have military action today. We have to ask the United Nations Security Council to review and to report to the world on the effects of the sanctions and the embargo in an official, non-partisan way. But as the international body that can pass judgment as to whether these sanctions are working. We have not seen any official report from the UN so far.

Of course, if there is no war, our forces should stay there. They are present to enforce the embargo and the sanctions and they should be there. But if there is war tonight, tomorrow, or the day after—the minute there is war—there is no more embargo. The embargo becomes a blockade and a blockade is an act of war. If faced with an act of war, we say on this side of the House that it is premature and that our troops should not be involved in a war at this moment—

Some hon. members: Hear, hear.

Mr. Chrétien: —and our troops should be called back if there is a war, unless we decide to be in a war. But we have to have the time—

Some hon. members: Oh, oh!

Mr. Chrétien: After the cold war, we thought that we were entering into a new order in the world. We thought that military intervention would not occur because we believed that the international community could make sure that there would be no aggression tolerated and that the United Nations goals would be upheld. What is the fundamental principle of the United Nations? It is the peaceful resolution of disputes, not the initiation of wars.

Military action, so soon after we decided to take the course of sanctions and embargo, endorses the view that military action can be an instrument of preference and of early resort and not, as it should be, of last resort.

Why this war? What are our national interests in this war? When I listened to the debate which took place in the United States over the weekend, the Americans were not talking about the United Nations, as I said earlier. They were talking about American interests. Senators and members of the House of Representatives spoke and they divided very closely on this issue. I am sure, if there had been no ultimatum and if the President had not put the position so squarely for so long, that it is probable Congress would not have acquiesced to the resolution presented to it.

I say that the national interests of Canada are very different from the national interests of the United States.

Some hon. members: Hear, hear.

Mr. Chrétien: Our national interests have been peacekeeping, a voice for stability, and a voice for independence in war, peace, and stability. We have always said that embargoes, sanctions, and diplomacy are preferable to bullets. We have to look back at what has happened in our history.

• (1230)

I am very pleased that the Prime Minister referred to some previous Prime Ministers of this land.

[*Translation*]

When war broke out in Korea, we did get involved but under the flag of the United nations. That is a basic distinction from the position now taken by the Prime Minister. The Security Council did not set up a United Nations contingent. It authorized countries to go to war with Iraq, but it did not ask any country to go to war with Iraq.

In 1956, when the Suez crisis took place, Mr. St. Laurent and Mr. Pearson, respectively Prime Minister and Secretary of State for External Affairs, took a fundamental position which has guided Canada's international policy ever since. What did they decide? Surely it was not easy for Mr. St. Laurent to tell France and Britain that the era of empires was over, but he did. It was then that Mike Pearson advocated before the United Nations the theory which we have always followed, namely that Canada and the United Nations must be agents of peace, and it was the first force set up by the

United Nations to maintain peace. Canada was not only the initiator but also the first participant. Mr. Pearson was awarded the Nobel Peace Prize because he had taken that initiative.

I want to tell the Prime Minister that during the weeks preceding this debate I too tried to think what Mr. St. Laurent would do, and how Mike Pearson would act if he were here today. What is the tradition of this country, and what is the tradition of this Party? I came to the conclusion that in such circumstances, Mr. Pearson and our country's tradition require that we pursue our efforts to the end since we are committed to uphold the embargo and the sanctions and to make sure that all such avenues have been explored and all democratic efforts made. Only then can we resort to war.

[*English*]

I would say to the Prime Minister that with his attitude today, he is no Mike Pearson. Mr. Pearson would not have done it this way.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Chrétien: After 1956 every prime minister of this country maintained that position of independence. Canada may not be a very powerful nation, but our main role would always be to maintain a credibility which would enable us to keep waring parties apart and work towards peace. This has always been the doctrine followed by Mr. Diefenbaker, Mr. Trudeau, and Mr. Pearson because that is the kind of role we Canadians have always wanted to play.

What should we do today? First, the war option is still open, and it will be tomorrow. As I said earlier, there may be circumstances where war may be the only option, but for the time being we must continue to seek peace and make sure that the sanctions, the embargo, the isolation, and the international community will make the Iraqis stand so alone that they will not be able to survive. Unbelievable though it may seem, the sanctions did work in October and even in November. What has happened? Now the election is over in the United States, suddenly sanctions no longer work. That is our point.

We feel that sanctions should be maintained for a number of months, six months or even twelve. What's the matter with maintaining the *status quo*? With the troops we have in the Middle East today, plus the embargo, we are convinced that Iraq, if it is not attacked now, will not attack at all. So there would no war. After six or twelve months of embargo and sanctions, a small country with the whole international community against it will not be able to go on. Where will they find the equipment to replace their own if they have problems? Where will they get the materiel they need to wage war if they are completely isolated? And if it takes six months more, what is the difference?

There have been situations where countries were invaded, unfortunately, and there have been others when the United Nations deplored these invasions. When the Chinese invaded Tibet, this fact was deplored by everyone, by the whole international community, but we did not intervene. What did we do when the Russians invaded Afghanistan? We deplored this action, but there were many like it. There were also human rights violations in those two countries and there was loss of life. We did not intervene.

In Cyprus, we censured what was done by Turkey but we did not go and invade that country. We did not participate. I could go on to quote dozens of similar cases. Many UN resolutions were not observed, but we did not go to war because of that.

I think that at this point we must give peace a chance. The Security Council should meet again, and we must ensure that the embargo and sanctions are maintained and reinforced, if necessary. Tonight, war is useless, it is dangerous and it will not solve the problem.

I simply wanted to say that there will be more situations like this one, and that we must be extremely careful. If every time there is an invasion, every time the rights of individuals or citizens or certain republics are destroyed by invastions, we have to go to war, does this mean we should fight in Lithuania? Today, it is the same problem, up to a point—

Mr. Clark (Yellowhead): It's not the same problem at all.

Mr. Chrétien: Yes it is, up to a point.

When faced with the possibility of war, there is a fundamental question we must answer. I maintain that the government does not, in the circumstances, have the moral authority to put this country into a war situation.

Some hon. members: Hear, hear.

Mr. Chrétien: Is the Prime Minister rolling the dice again, this time with the lives of young men and women in the Middle East? Is he gambling with world peace?

[*English*]

Mr. Speaker, I do not think that this government has the moral authority to bring Canada into war today.

Some hon. members: Hear, hear.

• (1240)

Mr. Chrétien: We have the feeling that the Prime Minister is rolling the dice again, but this time with the lives of the young men and women who are there and who might go there without giving a real chance for peace. This is the problem we are faced with.

[*Translation*]

A war entails enormous expenses and high risks. How many Canadians will lose their lives? How many billions of dollars will be wasted in an exercise which may prove useless, or at least premature? It might cause a lot of upheaval. What will happen to the oil situation? What will happen to the world economy? The Prime Minister refered to that earlier. What will be the results for the developing countries if all the resources of mankind are spent waging a war, rather than implementing policies which could improve these peoples' wellbeing?

I ask the Prime Minister, before committing Canada to a war, to remember that our country's role has always been to pick up the pieces whenever warring nations chose war over peace.

Mr. Speaker, our caucus held a meeting yesterday, probably the very best I have ever attended, and after four hours of deliberations, all those present unanimously felt that it would be premature to wage war now and we are opposed to war at this time.

Some hon. members: Hear, hear.

Mr. Chrétien: Let us give a chance to sanctions. Let us give a chance to the embargo. Let us give a chance to peace diplomacy. This is the role which the government should play now. I am afraid, however, that the government made commitments a long time ago and now has to pay the price. Canada's position is and must remain an independent one, one which should use to the utmost all avenues for peace. If one day all these recourses should prove inadequate, if there must be war, a war under the aegis of the United Nations, Canada will assume its responsibilities and support the United Nations. Today, this would not be a war under the flag of the United Nations but a war waged by an unknown number of countries, and Canada took the position in 1956 that we shall not be involved in a war if it is not under the flag of the United Nations.

[*English*]

Mr. Speaker, I will repeat in English what I said in case some people did not understand.

We are opposed to this war at this moment. Canada has taken the position since 1956 that we shall not be involved in war if it is not under the flag of the UN. If there is a war tonight, it will not be a war under the flag of the UN. It might be under the flag of a very friendly neighbour, but it will not be the flag of the UN. The time has not yet come for the UN to move in a war situation. Let us give peace a good chance.

I move:

That the motion be amended by adding immediately after the word "Kuwait":

"through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time."

Some hon. members: Hear, hear.

Mr. Andre: Mr. Speaker, I rise on a point of order. In view of the hour I would like to propose, as a courtesy to the Leader of the New Democratic Party who will speak next, that the Chair not see the clock at one o'clock and that the Leader of the New Democratic Party be given whatever time she requires to complete her remarks.

Some hon. members: Agreed.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the House has before it today a motion reaffirming support for the United Nations Security Council resolution authorizing the use of force by any country after the deadline of today and an amendment by the Liberal Party. While the motion of the government does not clearly state so, we must be clear in this House about what we are discussing. What we are discussing very clearly is whether Canada supports a declaration of war.

[*Translation*]

The question is purely and simply this: Is Canada going to support a declaration of war?

[*English*]

This is therefore a serious and historic debate. We have a grave responsibility to the Canadian people to be thoughtful and constructive, to articulate Canadians' concerns, and to choose a course which serves the interest of Canada and the world and which reflects the values of Canadians and the kind of contribution that Canada can best make to the world order.

I and my party have been listening to Canadians for the past weeks, in fact since this crisis began; to experts on international affairs; to foreign leaders both in and out of government; and to the statements of the Canadian government as the crisis has worn on. Today we have listened with care to the remarks of the right hon. Prime Minister and the Leader of the Opposition.

Our conclusion is this: War would be a tragedy, of unimagined scope. It must not be the next option or the second or the third option. War must always be the final option, the last resort.

It is our belief that, not only would war have severe political, economic, environmental and human costs that would be intolerable and unimaginable for all involved, but a so-called victory would not achieve the goal of peace. It would be as Dr. Litbach, a commentator from the Centre for Strategic and International Studies who has studied the Middle East, has said: "All we would do by war is give the wheel of regional conflict another turn". In other words, a military victory would not ensure peace but rather would lead to greater instability, greater hostility, greater danger, and greater conflict in the Middle East region.

• (1250)

Some hon. members: Hear, hear.

Ms. McLaughlin: I rise therefore today as leader of my party and on behalf of millions of Canadians to say no to the government's proposal to support war, no to an offensive military role for Canada, and no to Canadian participation in an unnecessary and deadly war.

Some hon. members: Hear, hear.

[*Translation*]

Ms. McLaughlin: Mr. Speaker, I would like to remind the House that today we are not talking simply about the invasion of Kuwait by Iraq. No one here can deny that this invasion, this brutal occupation of a neighbouring country, is unacceptable.

From the outset, my party has squarely condemned the actions of Saddam Hussein. We have demanded and continue to demand Iraq's full withdrawal from Kuwait. We will continue to explore all possible avenues and we will not be satisfied until we succeed.

Our condemnation of Iraq reflects the principles that guide this party. The history of the New Democratic Party shows that we have always condemned, and always very forcefully, a country that attacks another country. We have supported the use of diplomacy, political action and economic sanctions in order to put an end to these wars of aggression.

[*English*]

Let us be clear that there are three options before us and that there are three options to resolve the dispute: first, sanctions to isolate the aggressor and to make it economically impossible to continue that aggression; second, diplomatic efforts to deal with Iraq and to address continuing Mid-East problems; and, third, war.

As politicians who must be faced with surely the most important decision that most of us will ever make in our political life or have ever had to make, we must ask ourselves whether, on the basis of all rational evidence, economic sanctions and diplomatic efforts have been exhausted, whether we are truly convinced that no option but war exists and that the attendant risks of war are now the only option.

I recall that Martin Luther King, whose birthday is today, once said about Vietnam that the bombs that explode on the foreign battlefield also explode at home. Is there anyone who does not believe that the bombs dropped in the Middle East will not indeed explode in every community in the world?

Our foreign policy must reflect Canadian values, respect for international law, the promotion of social justice and human rights, and the pursuit of peaceful means of conflict resolution. Canadians are a caring and peaceful people, but we do not shirk from our responsibility. We do not shirk from our international responsibilities. We must not think that we have no role to play but

to accept what is determined elsewhere. We cannot simply be swept along by events that we accept are outside our control. As a middle power, we can have much more influence on maintaining peace than on winning wars.

Some hon. members: Hear, hear.

Ms. McLaughlin: We have the moral responsibility to use whatever means we can to stop the madness.

In the case of Kuwait, New Democrats and Canadians have supported the international community and the Security Council resolution in the use of diplomatic pressures and economic sanctions against Iraq. We support the Canadian presence in the gulf, the role of our men and women there, and the enforcement of those sanctions.

My party has supported every United Nations resolution which advocated a peaceful resolution to the crisis. We have supported 11 out of 12 of the Security Council resolutions.

We have not, however, supported UN Security Council resolution 678 which imposes the January 15 deadline for Iraq withdrawal and which authorizes the use of force after this date. We opposed that resolution for a number of reasons. The January 15 deadline is an artificial and arbitrary deadline. There is no concrete reason why the possibility of war must increase exponentially on this date. The situation in Kuwait, however disturbing, has not changed or worsened significantly.

Seven days before Iraq invaded Kuwait, the U.S. Senate committee found that Iraq had engaged in a consistent pattern of gross violations of internationally recognized human rights, in disregard to the international law. In that debate, the State Department of the United States opposed any sanctions or punitive measures against Iraq. In fact, the United States was subsidizing food imports only seven days before the invasion.

I say this to point out to those who are listening in the Canadian public that the international community has been aware for a very long time of the serious breaches of international law by Iraq but that the Foreign Relations Committee, of the Senate of the U.S., seven days before the invasion refused to take any action then, seven days later, it changed its mind.

I say it also to suggest that nothing is sacred about January 15. The situation was intolerable before Iraq invaded Kuwait. It remains intolerable, and what we must debate is how best we can find a resolution to this situation and to the middle eastern problems in general.

It has been said in relation to previous wars that ultimatums are issued, armies are mobilized, and leaders desperately trying to avert war find themselves bound by the timetables of generals. I suggest that this is exactly the bind that we as leaders are in now. All members of all parties are trying to debate—and I say this in a non-partisan way—and find a way to avert war, but we are binding ourselves to the motion of the government, to the timetable of the generals. We are not past generals fighting past wars. We are politicians who have to look to the future as well as the present, at the realistic role that Canada can play today and in the future.

Some hon. members: Hear, hear.

Ms. McLaughlin: Today I implore the government to step back and to regain perspective. There are options to war. There are choices. There is no reason why Canada should give its approval to a declaration of war today. Sanctions must be given a full chance. International affairs analysts have argued this point very effectively and have also argued that sanctions are working.

[*Translation*]

The U.S. Secretary of State for Defence, Richard Cheney, admits that by Easter, the Iraqi army will start being short of spare parts.

CIA head William Webster has said that the Iraqi airforce will be in trouble three or six months from now. In nine months, the rest of Iraqi materiel will be in bad shape.

• (1300)

According to information received from Iraq, essential services, including water, electricity and gasoline, are at risk. The country's economy is a shambles. Well-informed sources have stated that 90 per cent of Iraq's imports and 97 per cent of its exports have been affected by the sanctions.

Saddam Hussein will not be able to ignore the sanctions. His country will not be able to survive. We must be very patient and wait. If patience means saving the lives of Canadian soldiers or Iraqi children, it is worth it. If being patient means that mothers, fathers, brothers and sisters will not have to shed any tears, it is worth it.

[*English*]

Along with sanctions, Mr. Speaker, diplomatic efforts must also continue. No one doubts—and I am sure there is no doubt left after this week—that Saddam Hussein is a difficult man with whom to negotiate. We are not naive, but negotiate we must. We must find all of those openings which would make peace a possibility.

Our friends in the United States government refuse to consider any conditions for negotiation. But the anti-Iraq alliance is divided on this point. European and Arab nations appear much more willing to seek a negotiated way out.

American Congress persons, a number of whom I met with yesterday in Washington and colleagues I have spoken to in Europe, are much more willing to seek negotiation. We have new proposals from Yemen and France. They should be looked at seriously by Canada, and not rejected out of hand. Rather than following the forces of war blindly, Canada, has an obligation to align itself with those countries seeking peaceful resolutions.

Some hon. members: Hear, hear.

Ms. McLaughlin: There are those, Mr. Speaker, who would argue that agreement to conditions of withdrawal means rewarding aggression. I suggest it means rewarding compliance.

There are those who argue that to agree to conditions of withdrawal means losing face. I do not accept that characterization, but I do say to those who do, if the choice is between losing face or losing lives, the choice should be perfectly clear.

Some hon. members: Hear, hear.

Ms. McLaughlin: Today the Prime Minister has said that Canada will join in using force against Saddam Hussein. He did not speak at length about the cost of war, or the implications of war. It is a disturbing subject, I quite agree. But surely it is our responsibility at least to raise these issues before the Canadian public.

There is widespread doubt that any war against Iraq would be limited in scope. There is much greater belief that in fact the war would spread to the Middle East and to many countries outside of Iraq and Kuwait.

There are more than one million soldiers in the Gulf, 8,000 tanks, 3,000 aircraft, chemical and biological weapons and, it is reported, over 1,000 nuclear warheads.

The impact of a war on the environment could be catastrophic. Projections have been that given a nuclear accident, or the threat of fire in the oil fields, fires could last for years with devastating consequences for the air, the ozone layer, and the climate here in North America and elsewhere.

Other analysts have said that, if our objectives are to preserve stability in the Middle East and the related advantage that stability provides for oil supplies from the area, then going to war will not preserve or further those objectives. Going to war will destroy those objectives.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, the economic cost of war would be enormous. The rising price of oil would not only deepen our own recession, but take a terrible toll on the world's poorest countries.

The human cost, of course, the most important consideration, is impossible for many of us to grasp. We simply cannot know and we simply cannot project what might happen. It might be less serious than some people project; it might be more serious. Both military and political people are quite divided on that point, but we do know that there will be a human cost.

If we asked those people who served in the Vietnam or Korean wars, or those who have come to Canada as refugees about the reality of war, and if we should consider the war option before we are absolutely convinced that all other options will not work, we are sure what their answer would be. It is no surprise that the initiatives that are coming for peace proposals, for diplomatic proposals, are coming from those European countries which have felt war on their own soil and which, know by their very experience and in their souls what it means. We do not, except those people who have served in a war or who have come to this country as a result of a war in their own countries.

If we go to war now, Mr. Speaker, we will be haunted by each and every casualty. We will wonder if we had tried to wait for other options and if we had taken a pro-active approach to peace and not a reactive approach to war if that would have made a real difference.

Some hon. members: Hear, hear.

[*Translation*]

Ms. McLaughlin: In concluding, I would like to make a suggestion. This dreadful war will cost us far too much. Worse, a victory will be no guarantee of peace in this part of the world. The defeat of Saddam Hussein in Iraq may make it even harder to achieve our objective: peace and security in the Middle East.

Look at the area, Mr. Speaker. There is no guarantee that the leader who would replace Saddam Hussein would be an improvement. If Iraq is destroyed, Iran may very well rise again as the dominant power in the region. If Iraq is destroyed, Turkey, Syria and Iran may decide to fight to control what is left of Iraq.

The Arab governments that decided to support the war will face the fury of their citizens. A holy war is a real possibility. Compare this scenario with the option of not going to war at all. If we wait, the worst that can happen by a year from now is that Iraq would continue to occupy Kuwait. I leave it to the House to decide which option is the riskiest and to choose accordingly.

[*English*]

The Prime Minister made the comparison to the League of Nations and also to the UN Charter which says that we are committed to working for effective and collective action. This debate is about not who is right but our version of what is effective collective action. The Prime Minister has said that doctrinaire insistence on peace is what led to the end of the League of Nations and to undermining the credibility of the League of Nations.

• (1310)

It is commonly argued that this crisis represents the first major post-cold war test for the United Nations, and I agree. The Secretary of State for External Affairs said that the crisis is about the future of the United Nations, and I agree. This is why we cannot allow the United Nations to endorse a move into war when all peaceful means have not been exhausted.

Some hon. members: Hear, hear.

Ms. McLaughlin: I would like to explain that further, Mr. Speaker, because I think it is an extremely important point about the choices that are before the international community today.

Surely success would not be measured by the ability to use the United Nations to legitimize war. It should be measured by the ability of the United Nations to prevent war.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, there has been much talk of a new and just world order. I am sure it is an objective that all of us in this Chamber share. But the rush to war will simply represent the same old response the same old way. If we do what we have always done and declare war without looking at all of the options, we will make the same mistakes of the past. But we will have done it under the United Nations. This is not hope for a new world order. A new world order looks at new solutions, new ways and effective co-ordinated international efforts that try everything to avoid war, to have patience and give time, to exercise every option, if that is what it takes.

Some hon. members: Hear, hear.

Ms. McLaughlin: The NDP is a party that has always supported the United Nations efforts, that has supported international co-operative action in international conflicts. If we cannot look back in one year or six months and say that the Security Council of the United Nations could not find a new way to settle disputes, we will not have found a new world order. We will simply be perpetuating the madness of the old world order.

Some hon. members: Hear, hear.

Ms. McLaughlin: We are not debating today whether Saddam Hussein is taking evil action. He is. But to punish that evil and immoral action with tens of thousands of further mortalities does not make sense. It does not in any way diminish our sympathy, our sadness, and our outrage at what Saddam Hussein has done in Kuwait and what has been identified by Amnesty International.

War is not the answer today. War is not the solution. Canada has a role to support the United Nations charter, to seek effective collective action, and to participate in that. Canada has an important active role and not a reactive role.

I would like to suggest four broad options that should be pursued at this time. First, evidence suggests that sanctions are working. The continuing and tightening of economic sanctions—and there have been proposals in how those can even be further tightened—seems a very logical step at this point.

The furtherance of diplomatic efforts should be supported by the Canadian government. In fact, the Canadian government should be leading in these efforts.

Since 1983, the New Democratic Party has had as our policy that we must support international conferences on the situation in the Middle East. It is not a new idea that originates with Saddam Hussein, and let us stop pretending it is. Let us stop fighting over the words about linkage. Let us look at the reality because most of the Middle East believes that there are many outstanding issues beyond the actions of Saddam Hussein to be resolved. This party believes it and Canada should be supporting those initiatives.

Some hon. members: Hear, hear.

Ms. McLaughlin: Finally, we must develop a comprehensive strategy for conflict resolution in the region which includes every alternative to war. Such a strategy could include the settlement of border disputes through United Nations mediation or the International Court of Justice, promotion of democratization throughout the region, the establishment of a mechanism to reduce the arms trade and to eliminate weapons of mass destruction, and the negotiation of non-aggression pacts between nations of the region that could the framework for an over-all peace settlement.

The decision we are faced with today, as I said at the beginning of my remarks, may be the most difficult decision that we as politicians will ever have to make. People have spoken—and we listened to the Prime Minister and the Leader of the Opposition—with great certainty about their position. As the Prime Minister himself has pointed out, all political parties are not united on their position on this, in Canada, in Europe, and in the rest of the world. Therefore, it is not a partisan issue.

It is an issue of conscience and an issue of supporting the least destructive method to resolve conflicts. It is an issue of how we see our vision of the new world order. If Canada's vision of the new world order is simply to launch into a war without having assured every Canadian that every option by this government and by other governments has taken place, then we should all be very ashamed because we have offered nothing for the 21st century.

There are people of my party, social democrats, who have a different position than I. There are Conservatives, Liberals, and people of many other parties. In all honesty, I have to say that I cannot stand here and say with absolute certainty that my position that Canada should not participate in any offensive action cannot be challenged. I cannot say that I have all the wisdom. But, having looked at the history of the region and this issue, the events leading to January 15, and the consultations that I have had—with people in the U.S. and Europe, with my friends, colleagues and constituents, and with other Canadians,—one must take a stand and say that there is more to be done. We have not exhausted all of the options. War is not an option today on January 15, 1991.

Some hon. members: Hear, hear.

Ms. McLaughlin: It is not a question of whether or not I stand with the government or our forces in the Gulf. Our forces are doing the job they were sent to do and doing it well. It is not whether or not Canada is a good ally or a good world citizen. We are. The issue is whether or not after we make the decision we are making today—the decision about whether Canada will support a declaration of war—we can live with ourselves and know we have made the right decision. Perhaps we will never know.

As I have said, I and my party believe that all options have not been exhausted and that we have to take every one. Until then, I and my party cannot and will not agree to a war.

This is a situation that none of us can see into the future or how we will be judged by history. We stand here today in many ways alone, before the people we represent and not just as political parties. For that reason, I would encourage the government and other parties to hold a free vote on this issue.

Some hon. members: Hear, hear.

Ms. McLaughlin: The arrogance of being able to say that even I, as a leader of a political party, am always right and my position is always right, in my view, is not leadership. It is dictatorship.

Some hon. members: Hear, hear.

Ms. McLaughlin: If there was ever a more serious moral issue with which we have to deal, I do not know what it could be. It is for that reason that I make that point.

My heart is with all of those Canadian men and women who are now in the Middle East serving our country. My hope is for all of us today who will surely be judged by history on the decision that we take.

Some hon. members: Hear, hear.

Mr. Speaker: It being past one o'clock, I do now leave the chair until two o'clock this afternoon.

The House took recess at 13.22 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PERSIAN GULF CRISIS

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, today we balance on the brink of war. No doubt every Canadian's thoughts and prayers are riveted on this issue. Later we politicians, with speeches in hand, will debate not UN resolutions, but war.

This is unlike any other debate. It should not be conducted in phrases that make us feel better or less terrified at the task ahead of us, for war is a final act in which a peaceful resolution is abandoned in favour of force, and the death and destruction that it ultimately brings in its pursuit of peace.

As we debate today, remember that participants in war are real. They are not numbers. They are young men and women. They have families, children, mothers, fathers and friends. They have committed themselves to serve their country, and in doing so have also committed their loved ones to the consequences of such service.

The situation in the gulf is not simple. It is real. I hope, and indeed pray, that the gravity of the reality of the choices before us are seen not in a partisan or clinical way, or one that protects us from the anxiety of our own decisions.

The debate today is one that takes into consideration the consequences of our decisions to act or not to act, but to have as our paramount concern those who serve and their families.

Most of all, I pray that all here are granted the wisdom to make the right choice.

* * *

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I rise to salute the Grain Safety Net Committee, consisting of some 34 producer and government representatives which has designed GRIP and NISA programs which target agricultural assistance more effectively, encourage sound management practices, and deliver similar benefits to farmers in all regions.

The Gross Revenue Insurance Plan, GRIP, will offer farmers both yield and price protection while the Net Income Stabilization Account, NISA, will allow farmers to stabilize their incomes on an individual basis.

The Minister of Agriculture will soon introduce these improved programs which will provide a permanent, predictable and truly effective safety net. They are effective because they are based on individual rather than regional conditions, and predictable because support is calculated in the spring. Therefore, farmers will know before seeding the guaranteed revenue per acre for each crop seeded.

* * *

[*Translation*]

GUN CONTROL

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, on December 6, 1989, forteen families were sorely affected by Marc Lépine's action. The families of the victims from Polytechnique united to turn a personal tragedy into a movement to have the gun control legislation changed.

These parents have grounds for being concerned about the gun control situation in Canada and the proceedings of the committee would have been seriously lacking if it had not heard them.

I stressed the importance of these families' testimony and I am pleased to report to the House that the members of the committee reconsidered their decision and that the families of the victims of Polytechnique were invited to testify. As a parliamentarian interested in gun control, I am very happy I could help make their participation possible.

* * *

[*English*]

PERSIAN GULF CRISIS

Mr. John Brewin (Victoria): Mr. Speaker, the world stands today at the brink of war.

It is a matter of deep concern to people all around the world. We, in this House, are going to face a decision as to what Canada's role should be in that war. It is a difficult decision.

Canada has, in the past, been prepared to contribute to the defence of freedom. The terrible cost of a war must be weighed against the objective, taking into account that there is an alternative, that sanctions have every possibility of working. This morning there was a report in *The Globe and Mail* which stated that there is a nearly 100 per cent chance of success for sanctions. In that event, Canadian participation in a war would be an unspeakable crime and one which this House cannot endorse.

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PERSIAN GULF CRISIS

Ms. Mary Clancy (Halifax): Mr. Speaker, Canadians are shocked and apprehensive today. The very real prospect of war has created an atmosphere of unreality and disbelief. Since the Suez crisis we, as a nation, have taken great pride in our role as peacekeeper to the world. Now we watch as our country's great prestige is being bartered for base coin.

Millions of Canadians join in this plea. Do not throw away 40 years of international goodwill. Do not send hundreds of young men and women into a wasteful war. Take the path of sanity and sense. Sanctions are working. Let the embargo bring Hussein to a halt. If the bombs fall, take our people out of danger and show to the world that Canada seeks the peaceful solution. Maintain our historical position as peacemaker, not warmonger. Refuse to countenance insanity. This is not a movie set, this is real. This life and death. Do not opt for death.

In the name of peace, in the name of justice and in the name of Canada, do not throw us over the brink.

[*Translation*]

For God's sake, give peace a chance!

* * *

[*English*]

LITHUANIA

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, in recent days the world has reacted with disbelief at the violent acts of aggression imposed by the Soviet military on the people Lithuania and its democratically elected government. The threat has also been extended to Latvia and Estonia and yet President Gorbachev denies prior knowledge of these abhorrent acts.

Who is in charge of the Soviet Union? Mikhail Gorbachev or the military? What has become of the promised reform of the Soviet Union? Why has the Soviet Union reverted to force rather than negotiation to resolve the legitimate concerns of the Baltic States?

Canadian and, indeed, international assistance to the Soviet Union must be dependent on the answers to these questions. I urge our government to use every means at its disposal to impress upon the Soviet Union the urgency of an immediate peaceful resolution of this crisis.

* * *

[*Translation*]

PERSIAN GULF CRISIS

Mr. Phillip Edmonston (Chambly): Mr. Speaker, last Sunday, 6,000 Montrealers demonstrated that, as far as the conflict with Iraq is concerned, Canadian unity still exists.

Like Canadians across the country, these Quebecers showed they were strongly opposed to Canada's involvement in a war against Iraq. A poll published in *La Presse* confirmed that 72 per cent of the people of Quebec are against Canada's involvement.

Quebecers are fiercely opposed to such a war because they know that all other options, besides war, have not been exhausted by an American Administration determined to go to war.

In time, the United Nations embargo would have played havoc with the Iraqi economy.

This embargo was not yielding results fast enough for President Bush. So, we find ourselves at the brink of a war our government wants our country to take part in.

This House has the duty to listen to the Quebecers and Canadians and to vote against Canada's participation in a pointless war which would have much more devastating consequences than what it is meant to correct.

* * *

[*English*]

PERSIAN GULF CRISIS

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, residents from both Canada and the United States came together in St. Stephen this past weekend to express their support for a peaceful resolution to the crisis in the Persian Gulf.

This non-denominational gathering held at the Holy Rosary Catholic Church organized by Mrs. Joan Jones, Mrs. Keay Halstead and others was intended to bring people from all faiths on both sides of the border together in a common expression of concern for those men and women who, in a matter of hours from now, may find themselves embroiled in a war in the Middle East.

This is typical of the growing movement on the part of people throughout the world that world peace be preserved and that international order be restored at the earliest possible opportunity.

I quote Mrs. Jones when she said: "The situation is frightening, and if we ever needed to pray together, this is the time".

• (1410)

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, yesterday we heard the disturbing news that Radio-Canada French listeners and viewers will be getting second-class information as a result of the budget restraints forced on the CBC. And all that because the government is bent on destroying our national institutions.

We simply cannot accept the fact that, at a time when Canadians need to be told what is happening in the gulf, not by Belgian, American, French or other media but indeed from a truly Canadian perspective, they will not have their own teams of reporters on the scene.

[*English*]

Second, I ask Parliament to reaffirm freedom of the press and to protest the reported U.S. military plans to restrict the flow of news in the gulf.

[*Translation*]

The Canadian Association of Journalists has stated that imposing such rule will blind both TV and press reporters, and hide important facts from Canadians who want to and must know what is going on. This situation is unacceptable to Canada , and I hope Parliament and the government will do something to set things straight.

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[*English*]

PERSIAN GULF CRISIS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, all Canadians should take pride in the effectiveness and success of our Canadian forces in the gulf.

Our service personnel are as good as exist anywhere in the world. Our men and women in uniform are professional and well trained to do their jobs. They, of all Canadians, do not look forward to war, but are prepared to do their duty. Furthermore, their families and most Nova Scotians stand with them.

One question that I am repeatedly asked by service personnel and their families in the metro area is why are the members of Parliament from Halifax and Dartmouth not standing with us and endorsing what we are here to do. That is a good question and one those members should answer in this House today.

S. O. 31

The Canadian navy has had a proud record throughout its history. Our sailors do not turn and run when the shooting starts. They do not want their government and their MPs to tell them to.

* * *

THE ENVIRONMENT

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, today the world is perched on the edge of an unthinkable abyss. Calculating the loss of life which will result from war in the Middle East is horrifying.

Equally horrifying is the long-term impact on the global environment. Experts have determined that even if only one-half of the oil wells in Kuwait are set on fire, the wells will burn for months, producing millions of tonnes of ozone depleting and global warming gases. The resulting clouds of black smoke will create the effect of a nuclear winter.

The burning of the Kuwaiti oil fields would cause temperature extremes and alter monsoon patterns at tremendous costs to food production world-wide. It is estimated that over one billion people in Asia would face starvation as a result of monsoon failure. Even partial monsoon failure could cause more deaths than the population of Iraq, Kuwait and Saudi Arabia combined.

A war in the gulf would have disastrous environmental implications. I am not scare-mongering. I am asking, in light of these facts, how can we even contemplate a war as a solution to this crisis?

* * *

PERSIAN GULF CRISIS

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, in listening to the debate today, the choice seems to be to respect our commitment to the United Nations or to renege, to stand on the sidelines and wait.

But wait for how long? Until the threat of UN action against Iraq is no longer credible? Wait until Kuwait is destroyed? Wait until the death of every man, woman and child in Kuwait? Wait until Saddam attacks further? Wait until Iraq develops nuclear capability? Wait until a UN coalition breaks up?

Neville Chamberlain said wait. Saddam Hussein has defined our choice for us.

* * *

[*Translation*]

PERSIAN GULF CRISIS

Mr. Don Boudria (Glengarry—Prescott—Russell): Yesterday, Mr. Speaker, January 14, on behalf of the centre of peace undertakings in Canada, President Frans Manouvrier handed to me and to my colleagues petitions bearing the signatures of 4,770 Canadian men and women opposed to a military intervention in the Persian Gulf. These petitions are addressed to the Canadian government and urge it to take a pacifist approach to the gulf crisis.

I take this opportunity to congratulate Mr. Manouvrier, Mrs. Johanne Robitaille and all those who worked to gather nearly 5,000 signatures of people in favour of peace. I urge all the citizens of Glengarry—Prescott—Russell to sign similar petitions.

We must not intervene forcefully as long as there is still a chance to maintain peace in the Persian Gulf.

* * *

PERSIAN GULF CRISIS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, on August 2, 1990, without any warning or the slightest provocation, Iraq, a member of the United Nations, invaded and has since occupied Kuwait, a small country also a member of the United Nations. It is no longer simply a conflict between Iraq and Kuwait, but a conflict between Iraq and the rest of the world. Rarely has the international community shown such solidarity against an aggressor. Never has the United Nations reacted so efficiently, and never in the last 40 years has Canada felt such a need to react.

Our prime minister, the right hon. Brian Mulroney, and our Secretary of State for External Affairs, the right hon. Joe Clark, have used every diplomatic channels in an effort to resolve this crisis in a peaceful way, because, that is what all Canadians wish would happen before midnight today in the Persian Gulf.

ORAL QUESTION PERIOD

[*Translation*]

PERSIAN GULF CRISIS

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. Resolution 678 of the UN Security Council authorizes member states to use all necessary means, including a military offensive, to get Iraq out of Kuwait after midnight this evening.

Since the Prime Minister and his government supported this UN resolution, is the government preparing for a Canadian military offensive to get Iraq to withdraw from Kuwait? Is Canada going to war with Iraq? Yes or no, Mr. Prime Minister?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, in my speech this morning I mentioned two important elements in connection with the matter raised by the Leader of the Opposition. First, the Canadian government was going to explore all existing possibilities for a durable peace, between now and midnight, between now and the expiry of the deadline. That has not changed.

Second, the government has also announced what governs the behaviour of our military, and there have been no changes so far. This morning I mentioned that the Government of Canada, failing a peaceful resolution in the form of acceptance or a signal from Saddam Hussein that he intends to observe the provisions and the resolutions of the United Nations, failing that, the Canadian government intended to join other countries that support the UN in order to get Saddam Hussein out of Kuwait.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the Prime Minister has said that Canada would support the United Nations if force is used to get Iraq out of Kuwait. But there is no United Nations military operation. It is the United States that will be leading the military operation.

When the United States goes to war with Iraq, will the Prime Minister order young Canadian men and women into war as well? Will Canadians be going to war in the gulf?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend, inadvertently, no doubt, commits a very serious mistake in regard to his interpretation of resolution 678 because he persists in quoting but two paragraphs of the resolution.

The resolution demands that Iraq fully comply with the resolutions. Second, it authorizes member states to use all necessary means to uphold it. And third, it requests all states to provide appropriate support for the actions taken, namely actions taken to uphold and implement—

Mr. Axworthy: Not requires, requests.

Mr. Mulroney: No. My hon. friend is saying that it does not require. No. It does not require. The United Nations makes a specific request in the resolution asking all member states to act to uphold the integrity of the United Nations and Canada will do just that.

Some hon. members: Hear, hear.

• (1420)

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to tell the Prime Minister that is exactly what is being debated here. We say that it is not the time for war and that there are other means such are sanctions, embargoes, and diplomacy.

The question I am asking the Prime Minister is, will Canada be at war against Iraq if the United States starts the war tonight at midnight?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think my hon. friend—

Some hon. members: Oh, oh.

Mr. Speaker: The right hon. Prime Minister.

Mr. Mulroney: The Leader of the—

Some hon. members: Oh, oh.

Mr. Speaker: I think all hon. members realize the importance of the issues that are before us. This morning the conduct and behaviour of members was for the most part exemplary, given the very serious matters that were being discussed. I am sure that all hon. members would want to ensure that matters being discussed here are treated with the gravity which they deserve and that the courtesies which are traditional in this place be carried out.

The right hon. Prime Minister.

Mr. Mulroney: Mr. Speaker, Article I of the Charter of the United Nations provides for circumstances during which members who freely associate with the United Nations may be called upon, in the interests of international security, to suppress acts of aggression.

Such a request was specifically made under Resolution 678 of the Security Council, a resolution co-sponsored by Canada, which was a member of the Security Council at that time. Paragraph No. 3 of that resolution states that, in the event of the failure of Saddam Hussein to respond to a reasonable request to withdraw from a neighbouring, innocent Arab state that he has invaded—and if he persists in his refusal—member states are requested to come to the aid of the United Nations to seek to enforce resolutions of the United Nations.

As Mr. Pearson said and as I referred to this morning in my speech, the fact of the matter is the United Nations must be defended because the absence of the United Nations means the absence of effective peace in the world.

An hon. member: Answer the question.

Mr. Mulroney: My hon. friend wants to know whether we are going to defend the United Nations. We will not stand idly by. When the United Nations asks for support, we will support the United Nations because the United Nations supports world peace.

Some hon. members: Hear, hear.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Prime Minister while he is in the mood for honouring the United Nations Charter.

When the United Nations Security Council imposed economic sanctions, it established a special committee of the council to assess and report on the effectiveness of those sanctions. That committee has yet to report. Yet various experts, including the director of the CIA, have said that sanctions are having a very deep impact, including the war-fighting capacity of Iraq.

How can Canada commit this country to go to war when the United Nations Security Council has yet to decide on the effectiveness of sanctions, as it must do under the charter, before it initiates any further military action?

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the question as to how long one would wait for sanctions to take effect on Iraq, if they would ever take effect on Iraq, is an important question.

The hon. member knows, because he has been a member of the parliamentary committee before which these matters have been discussed, that it is possible to have reports. We have already had reports. Some have been circulated from the committee to which he refers.

There is no obligation, unless he has just invented one in his own mind, for that committee to make a report as a condition precedent to other decisions being taken by the Security Council. He knows that.

While we are speaking about evidence with respect to the effectiveness of sanctions, he will remember that when I appeared before the standing committee I made it clear that there was no evidence at all that economic sanctions were having an effect upon the economic—

Some hon. members: Oh, oh.

Mr. Clark (Yellowhead): —upon the capacity of Iraq—

Some hon. members: Oh, oh.

Ms. Copps: G.I. Joe.

Mr. Clark (Yellowhead): Mr. Speaker, may I continue?

Some hon. members: Oh, oh.

Mr. Speaker: The right hon. Secretary of State.

Mr. Clark (Yellowhead): Mr. Speaker, I indicated that we had no evidence to suggest that the sanctions program in place was affecting the capacity of Saddam Hussein to make war.

I asked the hon. member who holds to a different view and who bases his policy on a different view, specifically, to provide me with any information he has. Indeed, I said, he has a duty to provide that information. That was weeks ago. I have not heard from him. If he has any any specific information, I would be interested in seeing it.

Some hon. members: Hear, hear.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I just want to say to the minister that the duty is not mine. The duty is the United Nations'.

The government has talked about defending the charter. Under Article 42 of the Charter of the United Nations no military action can be initiated until the Security Council has decided on the adequacy or inadequacy of sanctions. The Security Council has not made that decision.

How can the minister and the Prime Minister send Canada to war when a fundamental principle and fundamental requirement of the charter has not yet been met? You are denying the Charter of the United Nations.

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, if Canada is denying the Charter of the United Nations, so, too, is Javier Perez de Cuellar; so, too, is the Government of France; so, too, is the Government of the United Kingdom; so, too, are all the members—permanent and those with two-year terms—of the Security Country; and so, too, are other countries which recognize, as the Prime Minister said so eloquently this morning, that the initial purpose of the United Nations when it was established by Mr. Pearson, among others, was to provide the capacity to talk as long as talk would work. But then, under the charter, when it became clear that talk would not persuade—

Mr. Axworthy (Winnipeg South Centre): Article 42 under the charter is being evaded—which is to obey the charter, not evade it.

Mr. Clark (Yellowhead): —it was in the interests of world order for force to be deployed. That is the charter. It has been decades since we have been able to realize the effectiveness to accomplish what Lester Pearson dreamed of.

We are now in a situation where it is possible for us to have the full authority of the United Nations Charter, the authority to talk and the authority to act.

Some hon. members: Hear, hear.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister. When the Prime Minister came to power, he said that he would change the face of Canada. Indeed, his government has done a lot to make this happen, but surely nothing equals what has been done in the past to the decision of the Prime Minister and his government today that Canada will support offensive action in the Middle East. The lives of hundreds of people are at stake.

We talked earlier this morning about sanctions and whether or not they are working, and what the options are. I think we have had the positions clearly on the table this morning. We know the Prime Minister's and the government's position. The New Democratic Party has clearly put out our position in opposition to Canada going to war.

I presume the Prime Minister has made his decision to involve Canada in a war based on information that sanctions and other diplomatic measures have not worked.

Therefore, will the Prime Minister support the New Democratic Party's proposition that immediately after Question Period the House go into a committee of the whole where we have an opportunity to hear witnesses—academics, military people, and government people—so that we can have a real debate and so that that will be available for Canadians who are watching closely what action we take in the House?

Some hon. members: Hear, hear.

• (1430)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend, the Leader of the New Democratic Party, raises a question that her House leader raised this morning at about 11.15 and was put to the House Leader of the Government. My understanding is that the Leader of the Government in the House proposed that this matter be considered by House leaders later on this afternoon. He will no doubt report back to me, and I will be happy to discuss it with my hon. friend.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I thank the Prime Minister for his remarks. I hope that he gives his vote to support because I believe this is what we need so that all Canadians who are watching these proceedings have full information.

We are now at January 15, a date which has been set for the consideration of war, but many countries continue with peace proposals. Britain has made some, as has France and some of the Arab countries. There are initiatives being pursued even at this late date.

My question to the Prime Minister is this. What initiatives are being taken by his government today, January 15, to either participate or to initiate peace proposals and options to war?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, one of the proposals that has come forward in the last 36 hours is a proposal by the Government of France that is being considered in the Security Council. It contains six elements. The most important is the first because it requires a very clear signal on the part of Iraq that it will take actions immediately to respect the Security Council resolutions.

The other five points in that proposal reflect to a remarkable degree the proposals that were contained in a letter written by the Prime Minister of Canada to the Secretary General of the United Nations, Mr. Perez de Cuellar, which I delivered to him the night before he left for Baghdad. Those proposals had been drawn from conversations that the Prime Minister and I, the Minister of National Defence, the Associate Minister and others, have had with various leaders of other countries, including several in the Arab world. One of the realities of which we are acutely conscious is that very often countries will say things to Canada that they will not say to superpowers or will not say to countries which are directly involved in negotiations.

As a result of that good standing of Canada, we were able to take these various proposals, synthesize them and draw from them what we considered to be elements of a potential proposal. Those elements were in the possession of the Secretary General when he went to Baghdad. He was deeply appreciative of the Canadian initiative. As I understand it, he did not have the opportunity to discuss those with Saddam Hussein because Saddam Hussein was not prepared to discuss at that time even the least adherence to Security Council resolutions.

Those same principles, with some changes in nuance, have arisen again in the French proposal. It may be that in these more public circumstances Saddam Hussein may be encouraged to respond to them. We hope he does. We hope that there is some movement in the hours that remain in this period that was deliberately established by the United Nations as a period for peace. We are supporting a proposal. We are discussing with the British a proposal that they have brought forward. We are waiting for results of conversations that the Yemeni have had to see if those conversations may lead to some proposal.

I will be taking part later in the debate and will be outlining a range of the other initiatives that Canada has taken over the last five weeks with a purpose which I believe is entirely shared in this House that we should seek to resolve this peacefully if that is at all possible.

Where we disagree in this House is what we do if it appears that peaceful means are not possible. Do we then support the United Nations as we want to do, or do we walk away from it?

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I appreciate that overview, but surely Canadians are looking for a government that is not prepared simply to hope but that is prepared to act.

[*Translation*]

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, there is no decision more critical or far-reaching than the decision to wage war. It is a matter of life and death. It is a moral issue, involving one's conscience. All of us will be judged by his or her conscience and by history.

My question is directed to the Prime Minister. Will he tell the members of his caucus that for this vote at least, probably the most important in their political lives, there will be a free vote on this war issue?

Right Hon. Brian Mulroney (Prime Minister): The government follows a policy which is in the national interest of all Canadians, based on the responsibilities of an important country such as Canada. This morning I defined the parameters of these policies and obligations and the policy I stated this morning will be supported by all government members.

[*English*]

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Defence.

Recently, a Canadian forces spokesperson confirmed that in addition to flying escort patrols over Canadian forces ships in the gulf, our CF-18s will also be flying escort for U.S. B-52 bombers.

How can a CF-18 that is flying on an offensive mission with a U.S. B-52 bomber be considered in a defensive position? What has this got to do with our ships in the gulf? Is this not a serious contradiction and a change from the defensive policy that Canada has been following in the gulf so far?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, first, the hon. member is inaccurate when he says that a Canadian forces spokesman confirmed.

An hon. member: It is in *The Globe and Mail*.

Mr. McKnight: The hon. member says it is in *The Globe and Mail*. Occasionally, without any disrespect to that fine paper, it does make a mistake.

I would say to the hon. member that the Canadian forces officer whom he is referring to said he could make an argument that protecting assets of nations that were collaborating in enforcing UN resolutions could be argued to be defensive.

That in no way says there has been a change in role. We are not involved in anything except those responsibilities that were outlined when the CF-18 squadron was sent into the Middle East. The Prime Minister, in announcing that decision, said that that squadron was there to defend Canadian vessels and assets, and those of other nations co-operating in the United Nations sanctions.

Hon. William Rompkey (Labrador): Mr. Speaker, I am assuming that the minister has confirmed that we have not, are not now and will not be flying escort for B-52 bombers. I understand that is what the minister has confirmed on the floor of the House today.

Let me ask him this: If war breaks out and if in addition to additional B-52 bombers, F-111s are sent, which our pilots have not been trained to escort, will additional CF-18s be sent to the gulf? Will our people be trained in proper procedures? Is this not still a contradiction and a change from the defensive policy that Canada has followed in the gulf so far?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, in the first part of my colleague's question he intimated that I confirmed. I confirmed nothing, as to the future tasks of the Canadian forces in their role in putting forward efforts along with other nations in supporting resolutions of the United Nations. What I did say, and I confirm to the hon. member at this time, that the CF-18 Canadian forces squadron is involved exactly as it was when the Prime Minister announced its deployment.

• (1440)

I will say to the hon. member, because he referred to training, that he knows, as well as other members in this House, that the Canadian forces pilots and their role and mission in NATO is that which allows them to have the training he referred to, to have the capacity and the skill. They are among the best trained pilots in the world, doing on behalf of Canadians what I am sure Canadians want them to do, and defending the United Nations and its resolutions.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the Minister of National Defence. There is in the Persian Gulf area right now quite an impressive array of force: 675,000 ground troops, 4,500 tanks, 150 warships, 1,500 combat aircraft and 13,000 combat vehicles for ground support. The co-ordination of such a force is an extraordinarily difficult task. Under the circumstances the method is recommended to be a United Nations commander with the United Nations chain of command.

Can the minister inform the House that such a structure and such a chain of command will pertain?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I am not too sure who the hon. member is referring to or who is making that recommendation that there be a United Nations commander and a United Nations command.

What I am saying, Mr. Speaker—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. minister.

Mr. McKnight: Mr. Speaker, the hon. member is fully aware as to the structures of command. The hon. member is fully aware as to how the NATO structure operates, which is similar to the structure under which Canadian forces and forces of some 30 plus other allied nations are operating in the Persian Gulf area.

The command is a national command. Tactical control, as he is fully aware, is occasionally chopped by nations. That means that tactical control of some Canadian assets may be under other nation. Tactical control of other nations' assets may be under Canadian command, but at all times the Canadian men and women who are serving at this time in the Persian Gulf are under Canadian national command.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I thank the minister for his answer. I have a supplementary. He did not answer the question.

The minister talks about the NATO structure. I am very familiar with that, but I would remind the minister that that NATO structure was designated. It exists, it is in place and it has been for some time. The operating procedures are very cut and dry. I and everybody involved understands them.

I can accept that while we have command and control in the Canadian sense in essentially a peacetime operation, although it is tense in a designated sector, in a predictable assigned task of three ships, 24 aircraft and 1,816 men and women. But war is unpredictable. I am not quite as convinced that with such an array of forces that even though we could have Canadian command of the forces in the gulf that we could in any way, shape or form have Canadian control.

I will ask the minister then, in the consequence of his attempt to answer my previous question, to now confirm that while the forces will definitely be Canadian commanded, it is possible that they will be under the control of the Americans or the Saudis.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, it is not my responsibility, nor would I attempt to explain to the hon. member tactical control and national command. I know I do not have to explain it. He understands it. He is nodding his head. Mr. Speaker, that answers his question.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, the Canadian people are deeply concerned that our government is leading our country into an American-led war which would have consequences in human, in ecological, in economic and in geopolitical terms, which would be absolutely disastrous and which could involve the use the nuclear, chemical and biological warfare.

In view of the fact that last night the chief of defence staff confirmed that our troops would be involved in defending American ground troops in Saudi Arabia in the event of war, will the Prime Minister not heed the concerns of Canadians who are saying to this Prime Minister and to this government: "we do not want Canada to be dragged into a war. If there is to be a war Canada should be playing a peaceful role. Our troops should not be involved in that war. We should be playing a humanitarian role and bringing our troops out of that theatre of conflict"? Will the Prime Minister not take that stand on behalf of all Canadians?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, even by his standards the hon. member is extreme in the statements that he makes.

For one thing, in his characterization of the countries involved in this conflict, he knows that much of the dramatic and dynamic leadership of the coalition comes in fact from Arab countries that have a particular worry about peace in their region precisely because it is their region, and also of course from other powers with great military capacity such as France, the United States, the United Kingdom, and others. I am sure he does not intend to mislead, but the consequence of his statement would be to mislead Canadians as to the nature of the coalition and I am sure he would not want that to happen.

He would also know, when he speaks of bloodshed and when he speaks of the terrible consequences of war, that there are terrible consequences to the *status quo*, to the situation now. That is not simply the situation in Kuwait where there has been a country pillaged in the process of being pillaged more. It is a consequence throughout the region sadly and tragically, I believe, that was evidenced last night by assassinations in another part of that region.

It also holds the threat for other nations, nations anywhere in the world where violence is possible—and those are legion—that if the United Nations cannot be effective here after all the actions that have been taken by the United Nations then those regions which are also hot spots that could explode will be left without the capacity of an instrument like the United Nations working with the authority to try to stop that kind of danger.

We are not choosing between a situation in which there would be bloodshed on the one hand and absolute peace on the other. That is a fairy tale. We are dealing with a situation of grave danger. What we have to do is find a way in which we resolve that danger in a way that not only—

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

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, the Canadian people remember that this same minister who is defending this action under the United Nations auspices is a minister who said three months ago that he did not give a damn whether the UN would support us or not; he would go to war anyway. They do not care about the United Nations.

[*Translation*]

My supplementary question is directed to the same minister. The minister has told us that he finds the French peace initiative interesting and positive. It is a fact that economic sanctions and diplomacy should be given more time to work to avoid a catastrophic war. My question to the minister is very specific: Has the Canadian Government contacted all Security Council members, including the United States, Great Britain and the Soviet Union to encourage them to support the French initiative to avoid a catastrophic war?

• (1450)

[*English*]

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, in the first part of his question the member for Burnaby made an accusation which is false, which he knows is false, and which the record of the standing committee will demonstrate is false. I certainly am prepared to stand on the record of the standing committee.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): I rather regret that he is not following the reasonable approach that was taken by his leader in her speech today when she spoke of the importance of keeping this issue something we discuss on its merits and in a manner free of partisanship or of pettiness. I would hope that he would follow her lead.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Clark (Yellowhead): As to the second part of the question, I can confirm that we are in contact with other members of the Security Council, including France, the United Kingdom and the United States, to determine whether the French proposal has a probability of success. But the reply that matters is not that of the United States, but that of Saddam Hussein, for it is essential, for the French proposal to succeed that Saddam Hussein recognize the need to comply with the United Nations resolutions.

[*English*]

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is directed to the Secretary of State for External Affairs.

It is the view of many Canadians today that the effectiveness of the United Nations is being undermined by some member states that have distorted the UN charter to justify force to end the gulf conflict at this time.

In order to keep collective security measures within the bounds of the UN charter, will Canada press for the reconvening of the Security Council immediately to review and report to the world on the effectiveness of the sanctions to date and, if necessary, to recommend any further UN actions?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I think the hon. member who follows these things closely will know that the Secretary–General came back and met with the Security Council yesterday. They are meeting again now. They are discussing actions that should be taken on what is the last day of the extraordinary pause for peace that was deliberately placed in the Security Council resolution as not only an opportunity, which it was, but a final opportunity, which it explicitly was, to Saddam Hussein to opt for peace rather than to force the world to war.

Apart from the new theology of her colleague from Winnipeg, there is no requirement for the United Nations to take another decision with respect to sanctions. The sanctions proposal is now in place and I should say that the Leader of the Opposition this morning announced that his policy is to wait. The reality is that one in the real world cannot wait forever. There come times when one has to take decisions based upon principle.

Our principle is that we want to support the United Nations and that element of the charter of the United Nations brought in by Mr. Pearson when he said: "There is authority to talk and, when talk won't work, there has to be the ability to enforce the words of the United Nations."

Some hon. members: Hear, hear.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my supplementary question is directed to the same minister.

On November 28, the Secretary of State told us that it was the responsibility of "all nations to seek a basis for the peaceful acceptance of Security Council resolutions", and later in December he told Canadians that "our government is determined that no stone be left unturned in our efforts to find a peaceful solution to the crisis".

We have heard from the minister today about French, British, and Yemeni proposals. We are going to hear about what Canada has done in the last five weeks. What we want to know is what peace initiatives this government will pursue today and tomorrow to avert a war in the gulf.

Right Hon. Joe Clark (Secretary of State for External Affairs): Two things, Mr. Speaker. First, I should make it very clear, as I believe I did in the answer to a question from the New Democratic Party, that we are actively working with other countries to see if it is possible to make progress on some of the proposals that are now being considered, one of which,—the French proposal—reflects to a remarkable degree proposals that Canada itself put forward.

The point is not to have a number of proposals that we can wave around and say that we did this. The point is to try to have something that will work. There are some proposals that may work. I have already answered the question that we are using all of our energy, as we have through this period, to try to see if it is possible to make those proposals that are now on the table, that are now being considered, work.

But, as I said in French a moment ago, the question really is not a question for the United States, for France or even for Canada. The question now is a question for Saddam Hussein. Will he accept the condition precedent in the French proposal which is that he must signal clearly and unequivocally his willingness to withdraw troops from Kuwait and to begin to respect Security Council resolutions?

Finally, as I said to her colleague the other day in committee, we have no monopoly on good ideas. If the hon. member has a proposal that she believes we should pursue, we would be very pleased to have that. We have been pursuing—

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Prime Minister. If there is a war and we take part in it, our safety will be jeopardized, here, in Canada. We should not delude ourselves about that. The transportation system, particularly for air transportation, as well as systems supplying us with drinking water, will all become potential targets.

Can the government confirm that it has taken, in conjunction with the provinces, every step to ensure the safety of these infrastructures and of the Canadian people on our own territory? Can the Prime minister tell us specifically what he has done in that area?

Hon. Pierre H. Cadieux (Solicitor General of Canada): There is no doubt, Mr. Speaker, that the government is well aware of the risks the hon. member is referring to. Saddam Hussein and some of his colleagues even made direct threats. Mechanisms are in place to allow us to identify such risks that could be facing Canada as well as evaluate them and take appropriate action if need be.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, that answer is hardly complete. It is very clear, given the fact that the decision to go to war is a discretionary one arising out of the failure to allow sanctions to work. I am delighted to hear the Secretary of State for External Affairs fully endorse the French proposal. I take it this is a new piece of information just provided us.

Be that as it may, it is crucial now to provide the civilian population with assurances that its security is being looked after.

What steps has the government taken in terms of public information, even more important in terms of public education, to prepare Canadians at home for possible acts of retaliation? Furthermore, what steps has the government taken in terms of those Canadians who are working abroad to provide them with contingency protection in case of war?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Again, Mr. Speaker, I want to reaffirm the fact that we have taken those threats very seriously. It is very important that not only Canada be vigilant but that all countries in the world be vigilant, because threats have been made to other countries as well.

We have services here in Canada that are specialized and do exactly that type of risk assessment. It has been done. I do not think it would be a very secure measure for me to disclose today what our security measures are all about.

* * *

BALTIC STATES

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I would like to turn the attention of the House for a minute to another tragedy unfolding, that which is unfolding in the Baltic states, and ask a question of the Secretary of State for External Affairs. I am sure I speak for all members when I say how concerned we are about the violence which we have seen, particularly in Lithuania, in recent days. We are very pleased, of course, that the House has been able to speak with one voice in the way that it did earlier.

• (1500)

Will the Secretary of State for External Affairs make it absolutely clear to President Gorbachev on behalf of all Canadians that a pre-condition for continuing good will toward Mr. Gorbachev and the Soviet Union is that the democratically elected governments of Lithuania, Latvia and Estonia not be overthrown with Mr. Gorbachev standing idly by while this kind of thing threatens to happen?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member and others in the House for their agreement to unanimously support the resolution that was adopted this morning.

I think it is of fundamental importance that the Soviet authorities be under no illusion about the seriousness of the people and Parliament of Canada on this issue.

The hon. member asked me for an undertaking with regard to a communication with Mr. Gorbachev indicating how much was at issue here, how much Canadian co-operation would be affected. That has already been done. The Prime Minister's letter could not have been clearer. That letter was sent on Sunday. We expect a response to it.

With regard to other things which we might do to be of help in a practical way, I found it very helpful in the past that there was the degree of co-operation among private members who are interested in this issue. Many members of this House made proposals on which we were to able to act with respect to earlier chapters in the history of the Baltic states. I would certainly welcome those kinds of constructive proposals from the hon. member and others.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I thank the minister for his answer. I say to the House that I had the opportunity, along with other members of this House to be in Lithuania just under a year ago for the election of the Sajudis government there. I cannot think of a more peaceful and democratic bunch of people. I say to President Gorbachev, if he permits their violent overthrow, then he should give his Nobel Peace Prize back.

I have a supplementary question for the Secretary of External Affairs. What does Canada intend to do at the United nations or in some other way to bring the issue of the Baltic states and its annexation by the Soviet Union into the international arena where it properly belongs?

We have never recognized the annexation of those three states. I think it is time that the government took some initiative to bring this into the international arena where the Soviet Union can have impressed upon it the fact that people regard the Baltic states as a special case.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I think there are two areas to which it is most useful for us to turn our attention. I agree with the member that the dramatic changes and circumstances require us to approach this with urgency. One is the United Nations; the other is the CSE process. Neither is simple, because of the capacity of the Soviet Union with its rights to veto in a practical or formal way any such consideration.

I must confess to the member that the priority of my officials on this question is to try to be of help to Canadians and Canadian interests in Lithuania. We will be moving soon to see if there are ways in which we can act on the diplomatic front.

Mr. Speaker: I think there has been some consideration in the Chamber. I am going to look to the hon. leader of the opposition on a point of order.

[*Translation*]

TRIBUTES

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we were deeply saddened to learn that the honorable C.M. Drury passed away last weekend.

[*English*]

Bud Drury was born and raised in traditional Westmount style, but he chose to lead a life that was anything but traditional. After completing his education at the Royal Military College, he chose to complete his preparation for leadership in Canadian affairs by making himself fully bilingual, an unusual step for a man of his background and generation.

During World War II, he rose to the rank of Brigadier at an unprecedented young age. At war's end, he attained a status of a genuine hero as the leader of the United Nations Relief Agency's work in Poland.

After serving as Deputy Minister of National Defence, Bud returned to his family business. In 1962, he came back to public life as the member of Parliament for Westmount.

In 1963, he was appointed Minister of Defence Production and Ministry of Industry, leading the negotiations that resulted in the Canadian–U.S Auto Pact.

In 1968, he became President of the Treasury Board and later served as Minister of Public Works and Minister of State for Science and Technology.

In 1978, he left Parliament to become Chairman of the National Capital Commission.

Bud Drury remained active and vital in his retirement, terrorizing the roads of the Gatineau hills in his red sports car, advising his children in modern business practices, and teaching his grandchildren the mysteries of the computer.

Although bodily ailments slowed him down physically, his inquiring mind remained clear and penetrating.

We join his daughters, Di and Leith, and his sons, Victor and Gib, in the passing of one who rejoiced so in life.

[*Translation*]

I had the pleasure of working with Mr. Drury for many years and benefited from his advice. He was a real gentleman and he served his country well. He served it as a member of the Armed Forces, as a very senior official of the government, and as a most distinguished member of this House. Here, as across the whole country, he had no enemies. We profoundly regret the loss of this great Canadian.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, on behalf of the Prime Minister and members of the Conservative caucus, indeed the Government of Canada, I want to join with the hon. Leader of the Opposition in paying tribute the late Hon. Charles Bud Drury.

I had the privilege of serving in the House with Bud. I clearly echo the remarks and comments that were made by the Leader of the Opposition.

As the Leader of the Opposition indicated, Bud was a successful businessman and entrepreneur but gave himself to public life in a very unselfish and generous way. He had a very outstanding military career.

He had an outstanding political career, having served in the House from 1962 to 1978. He also served as a Deputy Minister. He played a key role in the work of the United Nations and a very key role in the advancement and building of the National Capital Commission here in Ottawa.

He had an array of portfolios in which he served with distinction, from Industry, Defence Production, Science and Technology, Treasury Board and Public Works. He discharged those responsibilities and obligations with distinction.

I also note, as the hon. Leader of the Opposition did, that he did have a very keen interest in the pursuit of liberalized trade. To that end, he was instrumental in the negotiations of the Auto Pact in 1965. I am sure that he would look back with a great deal of respect, satisfaction and admiration to the additional activities that the Auto Pact led to. I think he did really plant the seeds of liberalized trade between two of the greatest trading partners in the world.

Bud commanded respect in the House. He really was a House of Commons man. He treated all members with distinction and was always available to be spoken to about a problem. As one who came here as a new member, I found Mr. Drury always open and accessible.

As *The Ottawa Citizen* said, he wore many hats and he discharged his responsibilities with distinction.

On behalf of all of us on this side of the House, I want to extend our sincerest sympathy to his family, his two sons and his daughters. We, on this side, appreciate very much the significant contribution he has made to Canada and the business world in public leadership. Most important, as members of the House of Commons, we appreciate very much the class, the distinction, and the leadership that he showed here on the floor of the House.

• (1510)

While I am on my feet, I would like to also pay tribute as well to a former colleague of ours, namely, Lawrence Watson, who was the former member of Parliament for the riding of Assiniboia in the province of Saskatchewan. Lawrence served the House from 1963 to 1968. He passed away on December 22.

While I did not have the privilege of serving in the House with him, I got to know him as one who was a champion of rural affairs and the farmers of western Canada, particularly the wheat growers in the Assiniboia area. He was a big fellow and we used to refer to him as Hoss and he enjoyed that very much. He had a lot of friends and made a lot of friends here. He was a man who looked after his constituency affairs and certainly always had the interests of the farmers at heart.

We want to, on this occasion, send to his wife, Louise, and his family our deepest sympathy and to assure them, that the contribution of Lawrence Watson will always be remembered and treasured.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, on behalf of my party, I would like to join in the condolences to the families of Mr. Watson and the Hon. Bud Drury. While I did not serve with either of those gentlemen, I think the very wonderful recounts of those who did serve with them are a great tribute.

Perhaps the greatest tributes one can have from one's colleagues have been given today concerning those two parliamentarians, particularly the Hon. Bud Drury, who served in a number of capacities, over a number of years, under two Prime Ministers. We see a model that all of us could afford to emulate in taking an interest in a diversity of affairs to serve the Canadian people well and to be a role model for all Canadians. So, I too, would like to add condolences, on behalf of my party, to the families of those two great parliamentarians.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I, too, want to express our condolences to the family and friends of the former member from Saskatchewan. He was certainly recognized across Canada as one of those farm leaders who took the bit in his mouth and fought on behalf of the constituents he represented. He will be sadly missed by all those who knew him.

I also rise today to pay tribute to a former member of this House, Larry Condon, who died last Friday and was buried this morning. Larry Condon was a member of this House from 1974 to 1979. For those who knew Larry, he was an enthusiastic person with boundless energy who loved his country and his family. He served his constituents well, in his former position as mayor of the town of Strathroy and as member of Parliament for Lambton—Middlesex. Larry Condon was a true friend of the working people. He will be sadly missed by his former colleagues, his friends, his family and all of those who were dear to him.

Mr. Ken Monteith (Elgin—Norfolk): Mr. Speaker, I rise to pay tribute to a true Canadian and a former member of Parliament, Larry Condon. Larry was the member for Lambton—Middlesex. Mr. Condon always had the interests of his community and Canada at heart. Larry is remembered as a likeable, non-partisan individual. On behalf of our government, I extend to his wife and family our sympathies.

Mr. Bruce Halliday (Oxford): Mr. Speaker, I want also to add my condolences to the family of Larry Condon. There are few of us in the House from the class of 1974—two colleagues to my right and perhaps one or two across the way. We are very limited in number now.

We all remember Larry as being a very affable person, easy to get along with, friendly, congenial, and so on. We enjoyed his fellowship while we were here in the House. It is something that this House brings to itself that is quite remarkable.

I would like to join my colleagues in expressing our sympathy to his wife and to his family.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, on behalf of my party, I would like to add a few words about Larry Condon.

He was a member of Parliament from Ontario who served his constituents well and this country well. I sat in the House with him for a number of years.

I want to extend to his family our deepest sympathy and let them know that we appreciate the contribution he made to the country and to his constituents. He was a very understanding, dedicated, and sympathetic man who made a great contribution to Canada.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I also want to pay homage to Larry Condon.

I knew Larry Condon since he was about 10 years old. We grew up together in Montreal. Larry was from Verdun and we went to Loyola High School together. Larry was the goalie on the hockey team on which I played in high school and he was also the quarterback of the football team. I was the halfback at that time and not many would believe that.

I have known Larry for a long, long time and I was very saddened to learn of his death. I would like to extend my condolences to his family.

* * *

POINT OF ORDER

PROCEDURE IN HOUSE ON DECEMBER 19

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a short point of order.

I am sure that others as well have reviewed *Hansard* of December 19 and have recognized a number of procedural anomalies that occurred as that day wore on. Considering the day, Mr. Speaker, it is not the day to enter into discussion about some of the concerns that members would have about the rather creative use of procedure on that day. I would like to ask your willingness, Mr. Speaker, to set aside this discussion for perhaps another day to allow the important debate to continue this afternoon.

Mr. Speaker: I take it the hon. member for Kamloops wants to raise as a point of order the proceedings, or some aspect of the proceedings, on the last day before we adjourned. I certainly will hear the hon. member and other hon. members. Perhaps I could contact the hon. member for Kamloops and set up an appropriate time. I agree that probably it is best not to pursue it this afternoon.

GOVERNMENT ORDERS

[*English*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed consideration of the motion of Mr. Clark (Yellowhead) (p. 16984) and the amendment of Mr. Chrétien (p. 16995).

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I want to begin by congratulating the leader of the New Democratic Party on the serious and thoughtful nature of her remarks. She clearly was attempting to be constructive and set forth in some very general terms other options which she thinks should be explored.

The hon. member and I may argue about what realism means, but I think that she would agree that the government and the world require much more precision as to other options than she was able to provide today. We look forward, very genuinely, to receiving any specific suggestions that she or members of her party might have, either during this debate or through the conduct of this crisis.

This is, as the leader of the New Democratic Party said, an extraordinary time. It requires all of us to do everything we can to bring forward the best practical advice we can.

The new Leader of the Opposition made essentially four points, as I understood his intervention. He wants to wait for sanctions to have effect, yet he gives the House no idea as to how long he proposes to wait and he gives the House not one iota of evidence that the sanctions program that we have mounted will affect Iraqi political leadership or military capacity. I want to return later in my remarks to the question of sanctions, but I hope that other spokespersons of the Liberal Party will be far more precise in indicating exactly how long they want to wait.

• (1520)

Second, the Leader of the Opposition pretends that the use of force in the Gulf would not have the authority of the United Nations. That is absolutely false. Resolution 678 of the United Nations is precise. Let me quote Articles 2 and 3:

> 2. Authorizes Member States co-operating with the Government of Kuwait, unless Iraq on or before 15 January 1991 fully implements, as set forth in paragraph 1 above, the foregoing resolutions, to use all necessary means to uphold and implement resolution 660 (1990) and all subsequent relevant resolutions and to restore international peace and security in the area;
>
> 3. Requests all States to provide appropriate support for the actions undertaken in pursuance of paragraph 2 of the present resolution;

That was the resolution entered into deliberately after extensive legal advice and after extensive discussion with the Secretary General and with others. There is no question that the actions we are taking, the actions we would contemplate are actions that have the authority of the United Nations.

Third, he proposes, as I understand it, to call back Canadian troops. Well, certainly that is not the position of the government.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): Fourth, he makes the curious and, I find, alarming argument that because the United Nations failed in Tibet, because the United Nations failed in Cyprus, and because the United Nations has failed in solving other crises, we should not help the United Nations succeed in Kuwait. That is absurd and it is not a logic that this government accepts.

[*Translation*]

Mr. Speaker, 167 days ago, Saddam Hussein brutally invaded Kuwait, without provocation. That is how the war started. Today Kuwait is still occupied. It has been pillaged, and more than half the population has fled the country. Amnesty International has reported flagrant human rights violations. Saddam Hussein has declared that Kuwait is now, irrevocably, part of Iraq. A sovereign member State of the United Nations is about to be wiped out.

Since the beginning of this crisis, the international community has, with unprecedented unanimity and clarity, expressed its position. The UN Security Council has adopted 12 resolutions, most of them unanimous, condemning Iraq's act of aggression and demanding that Iraq withdraw from Kuwait, while imposing sanctions to force it to abide by the UN decisions.

Forty-eight days ago, on November 29, Saddam Hussein was given a period of grace. The purpose was to give diplomacy another chance and to try and convince Iraq that the international community was not bluffing and that it would use force, if necessary, as soon as the deadline expired. This resolution was clear. It indicated that as a sign of good will Iraq would be granted a period of grace to give it one last chance.

Yesterday, UN Secretary-General Javier Perez de Cuellar returned from Iraq, discouraged and convinced that it was now practically impossible to hope for a diplomatic solution to the crisis. On the advice of the Secretary-General, European foreign affairs ministers decided not to send a delegation to Baghdad.

Since Security Council resolution 678 was adopted, Iraq knows perfectly well that the international community is not bluffing. However, its troops are still occupying Kuwait.

[*English*]

During these last 48 days, diplomacy has been applied to a degree rarely seen before. I indicated, as the Prime Minister did, that I would like to give some indication of some of the actions that were taken by Canada. I cannot recount them all for a variety of reasons, because some are still in train. I want to indicate some of the activities in which this country, on behalf of peace, has been engaged.

On a bilateral basis, and perhaps it was one of the most important actions that was taken early in this crisis, the Prime Minister was in Kennebunkport for a meeting with the President of the United States. It was a meeting scheduled before this conflict began, before the invasion of Iraq.

There were senior and respected Americans then counselling the President of the United States to engage upon a surgical strike. That was the advice he received. The Prime Minister told him on behalf of Canada that that kind of policy would not be acceptable to Canada and should not be followed by the United States. That gave the world an opportunity to pursue diplomatic and peaceful solutions to this aggression.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): That was one of several instances in which we have used that bilateral relation with the United States, a relation which some members in this House revile, but which is after all an opportunity for unprecedented influence upon a superpower. We have used that relation to encourage the United States to work with the world in trying to resolve this problem.

A second area in which we have been extremely active has been with respect to the United Nations. Again, let me speak of American attitudes. As the House will know, members here raised their concern to us about it. When this began there was a strong inclination on the part of the Americans to go it alone and not to operate under the aegis of the United Nations. Again, Canada said that was wrong and that if this is to be done effectively and with authority, it must be done under the umbrella of and with the authority of the United Nations.

I would not claim that it was simply because of our counsel, but Canadians need to know that this country has influence upon others, including our great friends, on critical questions. For a variety of reasons, the United States took the decision to operate within the United Nations' context and that is why this debate today is not about what one nation might do. This debate today is about whether this country will support the United Nations in what it has decided to do.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): We have also, of course, been extraordinarily active on the floor of the United Nations in the co-sponsorship of resolutions and, more importantly, in drafting those resolutions, in finding ways in which they can be acceptable and, indeed, in which other resolutions which were important to the progress on this issue could be made to be acceptable.

Because of our unusual situation as an industrial power with connection to the Third World, Canada undertook a series of initiatives based on the understanding that Saddam Hussein, if he would listen to anyone, may well be more prepared to listen to other Third World leaders than he would be to listen to the leaders of the developed world.

The Prime Minister met with Perez de Cuellar in New York when he was there to co-chair the Children's Summit. He made a proposal, based upon the reality that is clear to everyone interested in international development, that the principal victims of this invasion are not exclusively in Kuwait. They are also the poor of the Third World. They are the poor of Senegal, Zimbabwe, Bangladesh, and of other countries that, because their standard of living is so basic, depend more than we do upon secure and relatively cheap supplies of oil. Many of these people are Muslim. Many of these people are people whose cause should appeal directly to Saddam Hussein, but we understood that we could not make that case as compellingly ourselves as others could.

The Prime Minister was in touch with President Diouf of Senegal. He is not only the President of the Organization of African Unity, but also the incoming president of the Islamic Conference and the President of La Francophonie. President Diouf, at the behest of Canada and, frankly, with some help from Canada, convened meetings of other leaders of the Third World and a mission was ready to go. It was in Paris *en route* to Baghdad to try to make that kind of appeal when Saddam Hussein called and said he would prefer to have that mission deferred, delayed, until after the visit of Jim Baker, the visit that Saddam Hussein did not allow to happen.

• (1530)

We did not leave it there. President Traoré of Mali was the co-president with Canada of the Children's Summit and after conversations between the Prime Minister of Canada and President Traoré, his foreign minister went to Baghdad, tried to see if there could be movement, came back and reported to my colleague, the Associate Minister of National Defence, who was here over Christmas, and senior officials to see if there was some movement on that front.

Again we have been active through Commonwealth and francophone and other connections in the Third World because we recognize that we have to do everything possible to try to persuade Saddam Hussein to understand how serious this issue is and how serious the resolve of the world is.

In terms of peacekeeping it may be—it is part of the French plan; it was part of the proposal I submitted on the Prime Minister's behalf to the Secretary-General—that there will be a need for some peacekeeping presence if we are able to secure a withdrawal of Iraqi forces.

It certainly would be better if that were largely Arab. Clearly there would also be a need for the kind of expertise that Canada is uniquely qualified to provide. That was raised with us by Egyptian leaders. It was discussed by my colleague, the associate minister, when she was in the region. It was part of the offer made to the United Nations by the Prime Minister in the letter that I delivered the other night.

On the question of an Arab solution, which everyone was seeking during a period of this debate because we thought that other solutions may not work, Canada adopted an aggressive approach to try to encourage Arab leaders to work and to work together. That included, in our view, trying to overcome as a practical matter the difference that existed between King Hussein of Jordan and other Arab leaders because Hussein and Jordan are of fundamental importance in the region in any event, and also because it would be better if we had those nations working together rather than at cross-purposes.

That involved a number of conversations, contacts between the Prime Minister and the King, the Prime Minister and President Mubarak and a number of others. It also involved a visit I was able to make to the region and a long conversation with King Hussein during which we discussed explicitly and at length the question of the hostages and whether it made any sense at all for Saddam Hussein to continue to keep the hostages. I made the case and King Hussein made the case that it did make no sense and two or three days after I left King Hussein told me that he intended to go again to Baghdad. That was the trip when he went again to Baghdad that resulted in proposals from him, from Yasser Arafat and from others that resulted in Saddam Hussein's decision to let all the hostages go.

In terms of consultations, we are in regular daily contact with foreign ministers, heads of government, and a range of other countries, 50 or 60, not just the coalition partners, but others who might have some influence.

The Prime Minister in particular is in regular contact with President Mubarak, King Hussein, President Bush, Prime Minister Major, President Mitterrand and President Gorbachev. In his conversations two days ago with President Mitterrand, there was discussion of the proposals that we had put forward to the Secretary-General, proposals that were not then public, and President Mitterrand indicated at that time that there was a great deal of similarity in the thinking and the analysis of the French and the Canadian governments.

Those activities of course continue, as was indicated during Question Period, as we try to find if there are ways in the hours, now hours, that remain in this period that was established, this pause for peace that was established, to try to encourage Saddam Hussein to respond to someone.

I had hoped to have them with me and do not at the moment, but I propose later in the day with the agreement of the House to lay upon the table the French and English versions of the letter that the Prime Minister sent to Perez de Cuellar and which I delivered last week.

Those things have been done. They have done by Canada and they have been done by other countries. There has been an extraordinary attempt to solve this diplomatically. But today, January 15, at 3.30 in the afternoon, in Ottawa, we are at an impasse and we are approaching a turning point.

Peace still has a chance, but where once peace might have been an expectation, it is now only a hope, and that hope grows dim with every door that Saddam Hussein slams shut. Canada and the world must face the fact that Iraq may force a conflict.

There are, as we all know, no good wars. War is mankind's least noble invention. Everyone wants to avoid war. At this sombre moment we owe it to Canadians to determine as best we can if the course we are embarked upon is correct and if there are realistic, responsible alternatives. Not waiting, not running away, but real alternatives.

There have been wars in the past where patriotism has overshadowed logic, where pride has prevented peace, where emotion has overcome reason. We must be as confident as we can be, if this comes to war, that it is not one of those wars.

Forty-six years ago, the nations of this world formed an organization, the United Nations, whose primary purpose was to be the maintenance of international peace and security. The men and the women who designed that organization were not idealists. They were realists, realists worn by war, steeped in suffering. They had seen the futility of having rules without having a capacity to enforce those rules. That is futile. The experience of the League of the Nations proved it was futile.

They knew, as in societies everywhere, rules will only be obeyed if they are enforced and that will, if they are not enforced, will become meaningless, and societies themselves cease to be peaceful for anyone. With the sorry history of the League of Nations behind them and, with the awful consequences of appeasement to guide them, they crafted a charter that would give the world the right and capacity to deter aggression and to reverse it by force, if necessary, when it occurred.

Those purposes permeate the provisions of the Charter of the United Nations. But those purposes went unfulfilled for decades because a new war intervened—the cold war—a conflict which turned the United Nations into a mere shadow of what Lester Pearson and its other architects had intended.

So we had wars, dozens of them, conflicts which flourished, because the UN was frozen. With the easing of East-West tensions, old excuses have disappeared and new opportunities have emerged. An opportunity now exists to make the United Nations united, not simply in name, but in fact.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): That has been our accomplishment so far in the response to this crisis. No sir, I say to the Leader of the Opposition, this is not Cypress. This is not Tibet. This is not an area where the United Nations failed, unless its members choose to make it fail. If we choose to make it succeed, we can make the United Nations succeed in this case.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): Our accomplishment so far has been that the Security Council of the United Nations has worked as its architects had intended. The Charter of the United Nations has been acted upon. The process of seeking adherence to resolutions has been followed. We are approaching the moment where our words may have to become deeds. It is a difficult moment. It may be easier now to back away; to act not as we have resolved, but rather to retreat from our principles, to retreat from our promises.

To those who would have us back away, there are also troubling arguments and worrisome questions. Of what value would the United Nations be if we now said we were not serious?

• (1540)

After 12 resolutions, clear and unequivocal, do we say that after all, we were just bluffing? Do we say to future aggressors that all they need do is hunker down and wait us out? Are we hollow in our principles and in our words?

Does Canada, which is not a great power in the scheme of things, say that Kuwait, also not a great power, is expendable? Do we say there are rewards for the ruthless and prizes for the powerful? Do we attempt to justify a wrong by saying that we accepted wrongs in the past and did not act then? Do we say we can do no better than we have done, that the future will be as the past was: scarred by sacrifice, wedded to war?

We are contemplating the destruction of the United Nations.

The Acting Speaker (Mr. DeBlois): The right hon. member's time has expired.

[*Translation*]

I invite the right. hon. minister to conclude, unless the House allows him to continue. Is there consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The right hon. Secretary of State.

[*English*]

Mr. Clark (Yellowhead): Mr. Speaker, I appreciate that extension.

I have just had handed to me the copies in French and English of the letter sent by the Prime Minister to the Secretary-General of the United Nations. If the House is agreed, I would like to lay them upon the table.

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

Some hon. members: Agreed.

Mr. Clark (Yellowhead): Mr. Speaker, if we as Canadians say these things, we are contemplating the destruction of the United Nations and the international order that it now has the chance to build.

If we as Canadians say these things, we are betraying the efforts of Louis St. Laurent and Lester Pearson. These are men who had seen war. They were leaders and statesmen in times when 100,000 Canadians had died fighting wars which were undeterred and the origins of which lay in the unwillingness of the world to enforce the rules which all had claimed were universal.

We have to face realities about Canadian attitudes. Perhaps some Canadians are more comfortable with a United Nations that talks and not a United Nations that acts. Perhaps some see it as a place for soap boxes and for UNICEF boxes, and not as a place where the world comes together to take the hard decisions which peace requires.

I see some of, I think, my good friends in the New Democratic Party taking objection to that.

The reality is that the United Nations is a place where very hard decisions have to be taken. For years, it has not been possible to take those decisions.

We are now in a situation where we have acted consistently over time. We have set the stage. We are in a position where there is a need now to decide, and we cannot simply treat the United Nations as a talking shop because that was only half of what the Charter intended.

The United Nations was designed by Mr. Pearson and by others not just to talk, but also to act.

Some hon. members: Hear, hear.

Mr. Langdon: Are sanctions not actions?

Mr. Clark (Yellowhead): Someone just across the House called out that we should wait.

I understood the member for Essex—Windsor spoke about sanctions not working and I will come to that.

If the question is are sanctions working to deter the war machine, the answer is no.

I have asked the member to provide evidence he might have and he has not been forthcoming. There are some who say that we have not waited long enough, that perhaps the message has not got through.

Saddam Hussein has had 167 days to contemplate the consequences of his actions. Saddam Hussein knows what he is up against. There was a period when we wondered if that was the case. There can be no doubt about that now because his Foreign Minister, Mr. Tariq Aziz, made that abundantly clear in his remarks to the press after the meeting with Secretary Baker.

If we were to make January 15 a mobile date and extend it to February 15 this year or February 15 next year, by what form of logic could it be argued that Saddam Hussein would treat the resolve of the United Nations more seriously then than he does now?

What about sanctions and giving them more time to work, which is the basic argument for delay as I understand it from the other side? That is an issue which, as the Prime Minister said, has been very seriously considered by the government. There is no doubt that if the international consensus held, the Iraqi economy might be seriously weakened if we waited six months or a year. If the international consensus held, it might in six months or a year, but that is not the end of the argument. There is no guarantee whatsoever that economic weakness would get Saddam Hussein out of Kuwait. There is every indication from the words and the deeds of Saddam Hussein that thousands of Iraqis, men, women, infants, and thousands of those Kuwaitis whom we seek to liberate would be made to starve before Saddam Hussein would allow his army to suffer.

That regime of terror is not like Canada. It is not a democracy like ours. It is not a place where one regularly reads the public opinion polls; those do not have much hold on Saddam Hussein. In that regime of terror we cannot rely on popular discontent to dissuade a dictator. And during a period of further delay, the plunder of Kuwait would continue, and we could find ourselves trying to free a society which has ceased to exist.

There is a notion sometimes—it was expressed in Question Period—that the choice is between a peaceful present, a peaceful *status quo* and a terrible war. That is a dangerous, misleading illusion. There is no peaceful *status quo*.

The gulf region today, the entire Middle East, is incendiary. It is a time bomb of conflict, extremism, and terror. The assassination in Tunis yesterday of of Abu Iyad and Abu Alhol is an example, as was the terrible violence which occurred at the mosque in East Jerusalem in October, the bombings which led to the deaths of pilgrims at Mecca in 1987 and 1989, the riots which rocked Jordan in mid–1989, and the civil war in Lebanon. These, any of them, can become a fuse for frightening carnage and chaos. That tension is immeasurably more acute because of Iraq's aggression. As long as Iraq remains in Kuwait, the time bomb ticks and the world is playing Russian roulette with its own future.

Outside that region where the volatility is most acute, devastation and deprivation would continue and would accelerate if the world delayed. I am not talking about developed countries like Canada, comfortable countries like ours. I am talking about developing countries whose very existence as functioning societies is at stake. Terrible poverty is being made more and more unbearable. Governments in Africa are going broke and lurching toward disintegration.

When the Prime Minister met with leaders of the front-line states from Africa at the Children's Summit, the irony they were facing is that they had come to that conference to dedicate themselves to extra efforts to help their children, and the invasion of Kuwait by Iraq made it impossible not only to turn new moneys there but to keep old moneys there. Those are among the victims of the *status quo* which some would have us wait and extend.

Inflation rates in some of those developing countries are doubling and tripling. Deficits are ballooning. Basic human needs are not being met. Governments in Africa have asked Canada if they can convert money meant for education to funds to buy basic goods. Their development as societies is in jeopardy, as are so many of the international development programs that we have put in place and are so actively supported by members of this House and the non-governmental community across the country.

These are related problems and we should not blind our eye to one because we are concerned about the consequences of the solution to another.

• (1550)

In eastern Europe, the dramatic escalation in oil prices has become the singular reason why the progress they have made thus far and the progress that must be made in the future is in jeopardy. Finance Minister Klaus of Czechoslovakia told me in November that this crisis had gutted their economic reform plan and cost his country billions. Saddam Hussein does not simply destabilize the gulf. He destabilizes eastern Europe, Africa, Asia, and Latin America. Rather than delay, some people say deal.

An hon. member: There is more oil.

Mr. Clark (Yellowhead): Yes, there is more oil. People are saying there is more oil, but as know what is happening with spot prices. We know what is happening with the cost of oil.

An hon. member: They are going down.

Mr. Clark (Yellowhead): No, they are not going down. They are going up to a lot of the countries we are talking about. What is also going up is the incidence of people who come home, people who used to be working in the gulf and sending money back to help sustain economies in Bangladesh and elsewhere, and that is no longer happening. That is one of several consequences.

Rather than delay, some say deal. Let Saddam claim other victories to justify his aggression. But that, Sir, would be a reward for aggression, an invitation to other conflicts and other tyrants. It would be absurd to give a bank robber the money he had stolen or to take that money back and give him gold instead. Law and order would crumble if societies worked that way. It is no different internationally.

At this very moment plans proposed by France and others, as the House knows, are being discussed in New York. There are more active discussions since questions were raised an hour ago. Although there are important details to clarify, those plans have some very positive elements. As I have said and as the Prime Minister has said, they are similar to a proposal put forward in the letter that has been tabled in this House.

Our proposal contained the following elements, as the House will read: first, an international guarantee of all borders in the gulf area from attack; second, the initiation of a process to settle Iraq's differences with Kuwait, either through existing international agencies or through something created for the purposes; third, the departure from Saudi Arabia of all forces from outside the region and the creation of a peacekeeping force drawn primarily from the Arab states but with the participation of others if that were deemed desirable; and, fourth, a firm commitment in principle to a process to resolve other issues in the Middle East.

Those provisions are at the centre of the proposals now being discussed. What is missing now, indeed what has always been missing, is the trigger that could set all this in motion: an Iraqi commitment to and total withdrawal from Kuwait. The question that has to be asked is: Where is Iraq's response? What is Iraq's attitude?

We are told there are other ways to get Saddam Hussein out. This government and the world, for 167 days, have been trying to find a way to get him out without conflict. I say absolutely seriously if anyone in this House, anyone in this country, has a plausible plan—I am not talking here about a dream; I am talking about a plan—then this government and Canadians need to hear it immediately.

I want to conclude by returning to the fundamental principle at issue here: the defence and construction of a durable structure of international order. That is not a foreign cause to Canadians and it is certainly not a faked cause. That is a Canadian cause. That is a cause worth defending. We are not a great power. We cannot impose order just as we cannot ignore order. We have no choice but to build order with others and to do that co-operatively.

We need that order. We need a co-operative order in trade for our prosperity. We need a co-operative order in security since we cannot provide it ourselves on this huge territory in an age of nuclear weapons. Canadians need co-operative order because its absence would mean the power of the strongest always wins; the law of the jungle as the Prime Minister said this morning.

To build that order, we must work with others. It is not an accident that Lester Pearson and others were so active in drafting the charter of the United Nations and helping to make it work. It is not an accident that Canada has been such a strong proponent of a reformed NATO, a new GATT, a strengthened CSCE, an active Commonwealth, a more effective OAS, a vital *la francophonie*, and an expanded structure of security dialogue with the Asia-Pacific region.

No other country in the world has been a more active and generous and persistent contributor and supporter of the development of a United Nations system which works.

If the Persian Gulf situation is not resolved in the way the United Nations has demanded, if Saddam Hussein is allowed to keep the spoils of his conquest, then Canadians must accept a United Nations which will fail in the future, a United Nations which will be unable to deter or turn back further aggression, an organization seriously weakened in its ability to help develop countries or to help feed children or to help clean up the environment. The world has just begun to treat the United Nations seriously. Surely, Sir, this is not the time to stop.

In the Persian Gulf, the world has returned to the United Nations. It is not departing from the charter; it is returning to the charter. This is not contrary to peacekeeping. Peacekeeping was invented because the UN did not work, because the great powers did not want it to make peace, but only to supervise truces. Those who invented peacekeeping, Mr. Pearson included, lamented the inability of the world community to make peace. The gulf is about returning to the principle that the best guarantee of peace is the guarantee that aggression will not be accepted.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): Other events fill in this picture. The United States, as I mentioned earlier, has returned to the United Nations. So have others, including the Soviet Union. In so doing, as they came back, national purposes have been modified, compromises have been made, and consensus has been built.

What possible incentive would any great power have in returning to that organization in the future, in making compromises, in seeking consensus, if now, after all of this, after one of the most naked acts of aggression in 50 years is allowed to succeed? What possible Canadian interests does it serve to have unilateral action rewarded whether by Saddam Hussein or other aggressors or by others who would respond to aggression?

I do not want to overstate the case. If there is war in the gulf, it will not be the war to end all wars. But neither do I want to understate the case. There will be no hope to deter aggression, no hope to reverse aggression, no hope to keep peace or to make it co-operatively, if the world fails the United Nations here.

In his memoirs, Lester Person records one of the saddest episodes of international diplomacy in the 1930s helped sow the seeds of the world war which was to follow. That episode was the consideration by the League of Nations of steps to be taken to counter Italy's unprovoked invasion of Ethiopia, another small country.

Mr. Pearson, who was a Canadian representation at the League of Nations at that time, describes the heady start and the hopeful consensus at the beginning that sanctions should be applied, that Italy's aggression should be reversed. He then catalogues the steady erosion of that consensus, the collapse of resolve as government after government became timid, preoccupied by narrow, self interest. What was to be the salvation of the League of Nations became its downfall and the world lurched toward war. Mr. Pearson concludes his commentary with the following observations, and I quote:

> For collective security to have real meaning for peace, all members must be prepared and willing to join in precisely the kind of action, economic and military, which is necessary to prevent or defeat aggression. Otherwise, an aggressor has nothing to fear from the international community but pin-pricks.

That was Lester Pearson on the League of Nations. I say to members of the House of Commons, particularly members of the party that sees itself in that tradition, that we cannot afford a return to pin-pricks that would incapacitate world order now in the way to which unhappily Lester Pearson was a witness decades ago.

Peace, Sir, has a price. Order is not automatic. Security must be secured. Lester Pearson knew that. Canadians should not forget it. I believe there are only two clear choices before us. The first is to defend our principles and in so doing, serve our abiding interest in building an international order which works. The second choice is to avoid conflict at all costs and in so doing, secure a peace which is temporary, a peace which will not endure, a peace purchased at the price of rewarding war. Let this generation, let this United Nations make the right choice, a difficult choice but one which future generations will respect and not ridicule.

• (1600)

I have been involved since the invasion began, intimately, as the Prime Minister and others have, in trying to find ways in which this can be stopped. The House and the country naturally want to know if there is anything more that the government can do. They deserve our best judgment; a judgment that is confirmed by the pessimism with which Perez de Cuellar came back from Baghdad, a judgment that is shared by world leaders and others who have been involved as intimately as we have in trying to resolve the crisis. That judgment is that we have worked as hard as we can. We have exhausted the realistic options. We have opened door after door which Saddam Hussein has slammed shut. I think that we can, in good conscience now, having done all that we can do to seek a resolution by talk and by diplomacy, be prepared to contemplate giving effect to that other capacity of the United Nations charter, the capacity to use force.

Some hon. members: Hear, hear.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, at ten o'clock this morning I received a telephone letter from the students of Parkdale Public School. This is an elementary school. The ages of the students are from four to 15. This is what they are passing on to this House of Commons through their member of Parliament.

The letter reads: "Dear Mr. Flis: Peace is not a word. It is our future. War is a cowardly excuse for people's unwillingness to discuss positively our mutual problems. It is not the only way out. We hope that there is no war because we do not want any brothers, sisters, fathers or mothers to die. No war please. Give peace a chance." It is signed, "Yours truly, students and staff, Parkdale Public School."

I would like to ask the Secretary of State for External Affairs, in his response, what answer he would give these students. I think he partly answered the students concerns in his speech. He said that the United Nations is no longer a talking place. It is a place to act.

Are not sanctions a powerful action? He stated that our leader and our party are not providing any evidence the sanctions are working. I remind him when the three members of Parliament from all three parties returned from Iraq, they gave all kinds of evidence the factories that produced parts were running. Now after the sanctions, these same factories are standing still. Common sense would tell everyone that something is lacking in world leadership today. Common sense would tell you

that if one allows these sanctions more, something that is lacking in world leadership today, time, they will suffocate Iraq. They will run out of parts to repair their tanks. Common sense would tell us to give the sanctions more time to work.

Mr. Clark (Yellowhead): I believe I heard questions and not just commentary. I will try to answer both. I take very seriously, as I know the member does, the concern of children on this issue. It is obviously a matter which profoundly unsettles them more than it does adults. Everyone in this House wants to give peace a chance. The issue is how we can most effectively do this.

We have come to the view, not easily, that the best way to give peace a chance is to try to use the organization that is the only one we have and one which was established precisely for the purpose of trying, first, to direct the negotiations, for the settlement of this war by peaceful means and then to take other actions when those discussions appear not to work. Saddam Hussein would not go to see Baker or Bush, and when Aziz did, he would not even receive the letter from the President of the United States to be transmitted to the President of Iraq.

When the Secretary-General of the United Nations went on that arduous journey to Baghdad, he was turned away, turned away to the point that when he came back through Paris he spoke to other people who genuinely wanted to go if he thought that would be helpful and he said in effect they should not waste their time. The best way to give peace a chance is to use the instrument that we built to establish peace, which is the United Nations.

On the question of sanctions, unquestionably there has been some effect. But we are not aiming our sanctions at ordinary Iraqis who are working in the streets and who have enough troubles. Surely the target of our sanctions is Saddam Hussein and the military machine that he runs. I have seen no evidence—I have looked for it—that there is any appreciable effect upon his military capacity.

The Leader of the New Democratic Party, I believe, or someone from that party was, referring to observations by American officials—she has just been to the United States and has come back informed—referring to the possibility that something might begin to take effect in six months or in nine months, and that there might be some deterioration in some part of their military capacity. What happens during that time? We believe that sanctions are essential but sanctions are not sufficient. What we need is a combination of sanctions and diplomacy or sanctions and other actions when diplomacy has the result that unfortunately it has had, being turned aside so consistently by Saddam Hussein.

Mr. Brewin: Mr. Speaker, first of all, I congratulate the Secretary of State for External Affairs for a very forceful speech. He was forceful 90 per cent of the time, unfortunately, in my view, to an argument that was frankly spurious. No one in this House disputes the need to deal with Saddam Hussein. No one in this House disputes the need to deal with Saddam Hussein as effectively as possible. The issue that divides us is how.

The Secretary of State for External Affairs in his last comment, in answer to the question just put to him, seemed to suggest, as I heard him, that there was no evidence that sanctions would have an effect on the military might of Iraq. With the greatest respect, that simply is not correct. The evidence before the United States Congress from the CIA, which has already been referred to in debate, suggests the contrary.

Even more recent evidence published this morning in *The Globe and Mail*, a reprint from *the New York Times*, which I assume the minister has had drawn to his attention, but if it has not then let me also put it on the record of the House. It is an article by Gary Hufbauer and Kimberly Elliott. It is a recount of a detailed study made of sanctions since the First World War. Of 115 cases studied, it was found that in 34 per cent sanctions were highly successful. It says in respect of Iraq that in all the circumstances sanctions would have an even greater chance of being successful. I quote:

> Since the estimated cost to Iraq—48 per cent of its gross national product—is so far beyond that observed in other cases, the initial results placed the probability of success at nearly 100 per cent. Even when the model is adjusted to account for Saddam Hussein's exceptionally tyrannical control, and the estimated cost is, say, halved to 24 per cent of GNP, the probability of success remains above 85 per cent.

• (1610)

They go on to say:

> Critics argue that sanctions are useless against a ruthless dictator who doesn't care what price his people must pay. Yet sanctions have been employed successfully against dictators of all stripes—

He then notes the regimes of Trujillo, Diem, Idi Amin and Somoza in the seventies.

They conclude:

> The evidence suggests that sanctions will begin to bite sometime in the spring or early summer, with a high probability of forcing Iraq from Kuwait by next fall.

The Manchester Guardian states: "All of the evidence is that sanctions can and are likely to have the effect of moving Saddam Hussein out of Kuwait if we just give time."

The minister says there is no guarantee to that effect. He said that in his speech. There is no guarantee that war will move Saddam Hussein or his ilk permanently out of Kuwait, that it will provide the solution to the region that is necessary in those circumstances.

How can the minister justify Canada supporting war at this time?

Mr. Clark (Yellowhead): Mr. Speaker, the hon. member is very careful about language.

He would know the difference between evidence and a projection. He referred to evidence, as his leader had, from the CIA, and I referred to her reference to it. I think the timeframe mentioned was six months to nine months. I doubt that it would have been in the minds of the authors to suggest that that effect would have been appreciable. There is no evidence of any appreciable effect in the foreseeable future.

With respect to *The Globe and Mail* article, yes, I have seen it. It is a projection, and I am not here to dispute the social scientists' projections. In other fields, we have known what to do with projections, and it may well turn out to be correct.

It makes some assumptions about Iraq. One of those assumptions has to do with our capacity to maintain the extraordinary degree to which sanctions have been honoured. Among other things, it is a question of whether that willingness to enforce sanctions and adhere to them on the part of a lot of countries will continue.

There are cases, as the member knows, where that would continue if there appeared to be a weakening in the resolve of the United Nations, if it talked about a deadline tonight and then was looking for ways to avoid the consequences of its actions. I think that is an important question in the context of the basis upon which projections were raised.

To be clear, I am not saying that sanctions have had absolutely no impact. Obviously sanctions have had an impact on large elements of Iraqi life. They just do not get to where they need to get. They do not get to Saddam Hussein or his military.

Yes, it may in time, and that is precisely the question we have to deal with. How much time can we take? What happens in the interim?

An hon. member: What happens if war?

Mr. Clark (Yellowhead): Of course, what happens if war. We have to ask those questions and we try to do that.

What I hope the House and the country will understand is that while we have some understanding, because of what we have grown up with and have seen of the terrible consequences of war, there are also terrible things happening now. A terrible thing happened to Kuwait.

I have seen intelligence estimates by a country whose government the hon. member would respect, suggesting there could be as many as two million new refugees thrown into an already over-burdened refugee system very soon as a result of this.

There are all sorts of grievous things happening now. I hope that as this House and this country consider what we have to do, we will look both at the investment Canada has always had in the effectiveness of the United Nations and the charter that we helped devise which authorizes force, and also look at the costs of waiting.

There are extraordinarily high costs of waiting just as there are, admittedly, extraordinarily high costs of acting.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, during the debate which started this morning, there was a conversation that kept coming back to me that I had with one of the Canadians who had been forcibly detained in Baghdad. He said to me in that conversation that one of the consequences of all this is that Canada will lose its innocence. He went on to explain that it would no longer be possible for Canadians to see themselves in a world where, by wearing a little

maple leaf on our lapel, that we would be seen as boy scouts and that we would have open access. All of a sudden, we would have the scales drop from our eyes and we would now see ourselves in a world where there can be ruthless dictators detaining internationals.

I do not need anyone in the House to lecture me or tell me about how bad Saddam Hussein is, because I see it with my own eyes. My argument is not because I have any illusions about the regime in Iraq, or the nature of what they are doing in Kuwait, or in any way the kind of genteel society which he tries to run. It is none of those.

At the same time, the reality, that loss of innocence, has to bring about wisdom and it has to bring about judgment. It has to mean that you do not fall into old traps, that you use your brains and your mind to understand what is going on. You do not simply listen to the bell and respond in a Pavlovian fashion. You have to sit back and take a hard look at what you are facing.

I have here about 700 letters which I have received in the last three or four days from Canadians who are asking this government, and this Parliament to stop and take care, to watch carefully because they do not believe that the right role and direction for Canada at this time is to engage in hostilities against Saddam Hussein. They say very clearly that that does not represent Canadian values. When we talk about this new international order that has been bandied about in the House today they say: "Remember what it means to Canadians."

We are not a great power. We do not equate greatness with military might. We do not say that it is the right of our country to command respect by the force of arms, but more by the nature of our contributions for peaceful resolution. We are not a formal Imperial power. We are not a colonial power. We do not dictate, as the French and British did, the false boundaries of the Middle East.

If one wants to be a historian and go back to the problems of the Middle East, go back to the First World War when the Arab countries were induced to fight on the side of the Allies because they said they would get their independence. Then, they were treated with treachery by the colonial powers and were not given their independence at that time.

We do not reflect those values. In fact, we reflect the opposite. If there is anything contained in every single one of these pages, it is a plea for new thinking and a new approach. We do not see it in the debate that we have had so far from the government. It is falling into the traditional trap of preparing for peace by preparing for war. It does not believe in the philosophy that in this new world order one can prepare for peace actually by preparing for peace.

Members of the government cite Lester Pearson with great frequency. There is one phrase I think they should remember from Lester Pearson in his Nobel Prize speech. He said that nations prepare for war like precocious giants, but for peace like retarded pygmies. I can tell you that that phrase has run through my mind as I listened to the speech of the Prime Minister and the Secretary of State this afternoon.

They have been so anxious and so concerned about knocking down, destroying, and eliminating the idea that there is another way to deal with Iraq, that there is another UN way of dealing with it, and that, if the only answer today is force, they have forgotten that they are trying to build up some kind of equation. In fact, Mr. Speaker, they have not been honest enough to say that they prefer force, but that those who have a different way and who also believe in the United Nations and collective security but do not happen to agree that military instruments are the only way of having the UN work or having collective security exercised.

Let us talk about the Pearsonian tradition for just one moment. In 1935, when Lester Pearson was a member of the League of Nations, what did he object to? The fact that they should abandon economic sanctions. Not that they went to war, but that they abandon economic sanctions. He also writes in his memoirs how economic sanctions could have worked, should have worked, and would have been an effective international tool to stop aggression, but the country let them alone.

• (1620)

Are we not in a similar case today? Are we not in a similar case when, in those halcyon days of August 2 and August 6, the world community said: "There is an act of aggression and we are going to stop it." Then we

imposed economic sanctions and there was a commitment by a broad consensus of the world community to get behind it. Some 30–odd countries sent forces to the gulf to implement those sanctions. We really did believe that we were now turning the corner and that we were headed in a different direction.

Then, come November— I can recall the week well— first, there was an announcement by President Bush that he was doubling the forces in the gulf, from 200,000 to half a million. No explanation, but here they go. What was the reason? What was the rationale? Did he say then that sanctions had failed? No. He just said: "I am doubling the number of troops."

Then, the Secretary of State walked into the external affairs committee meeting and said: "Boy, sanctions are not good any more. They were great last week, but they are not any good this week. Therefore, we now have to contemplate the use of force."

What happened? What took place? What careful calculation went on in the White House, in the Department of External Affairs, and in White Hall to say sanctions were no longer working? They did not tell anybody, but that was clearly the demarcation line.

I want to remind you, Mr. Speaker, of something that is also very important about the Pearsonian tradition. Because of his experience, and because of the experience of other statesmen of his period through the League of Nations, when they came to be the architects of the UN Charter, they carefully prescribed the steps through the charter that one took if sanctions no longer worked.

Article 41 very clearly states that the United Nations has the right to establish economic sanctions. That is under the charter. It then states very clearly in Article 42 that the Security Council must decide that sanctions are no longer working and then consider other means. That is in the charter of the United Nations. Is that what has been followed by this government? Not a bit.

For all the patting on the back, the pounding on the chest, the raising of the flag, and the whistling of the tune about how we are supporting the UN, why are we abandoning the charter of the United Nations? Why are we abandoning the Pearsonian tradition? Why are we abandoning the lessons of the League of Nations that are clearly written under that charter? It is there for a reason.

Mr. Pearson and others understood very well that there has to be accountability in decision making at the international level. There must be legitimacy of decision making. You do not turn over decisions to some other country to decide for everybody else. Especially as a statesman of a smaller power, he recognized that the best protection for small and medium sized powers, was not to let great powers use international institutions as their camouflage their subterfuge to be able to manipulate and change the rules of those organizations to support their own interests.

That is the Pearsonian tradition, not what the Prime Minister was talking about and not what the Secretary of State for External Affairs was talking about. The real tradition is written in the charter which this government is now preparing to short–circuit and not follow.

When they got up in the House with all this crocodile kind of rhetoric about how they are prepared to defend the UN, they were not prepared to answer the simple question of why had they evaded the charter of the UN.

Why were they not a voice last November and December when there was a resolution coming forward to insist that any power that wants to use force, that thinks it is no longer appropriate, should use the charter as well? Where was the voice of Canada? Where were the inheritors of the Pearsonian tradition when it was saying to the United States and other great powers: "If you want to use the United Nations, use it as set out in the charter. Don't avoid it. Don't evade it. Don't short–circuit it. Give it legitimacy and credibility."

That should have been the role of Canada. That should have been the inherent tradition of our leaders at the time, but, of course, they were too busy answering the call.

I do not buy this idea that we must adhere to it, because beyond Article 42 is Article 43. It states that if one uses force, then one establishes a UN command and starts planning it. Then one makes specific requests of countries. There is a series of very well prescribed procedures by which the United Nations will finally make a decision to use military action against an aggressor, none of which are being followed today and none of which are being adhered to by our country or by other countries in the United Nations.

If we are really sincere in our adherence to the principles of the UN, then the first principle starts with the charter of the United Nations. That is why we object strenuously to giving blank cheques to the government to go ahead and do what it wants to do, when in fact it is clear that it has been guilty of a very serious error and sin of omission.

What I find incredible and disturbing to listen to, and about which I am distraught at the kind of argument, is the way members of the government have talked in such a facile and cavalier fashion about going to war.

The Secretary of State says there are some costs to pay. What kind of costs are we talking about? My God, when we are talking to Canadians about what they are facing in the next 24 hours or the next week, what kind of costs are we really talking about? Military casualties in the thousands. Civilian casualties of untold nature.

The Secretary of State says: "Look at the atrocities going on in Kuwait." I bleed for them. I feel badly for them. But what is worse? To kill them, to bomb them, to destroy the country? Is that a better solution? To totally wipe out their lives, and not just their lives but the lives of countless hundreds of thousands of others? Is that the preferred solution of the government? Is that really defending their civil rights and liberties?

With regard to discovering the reality, in terms of losing our innocence, we should be asking ourselves why it is that we did not hear the brave words we are hearing today a few short months ago when Saddam Hussein was gassing thousands upon thousands of Kurds in his own country. There were atrocities then and I did not hear any call to arms at that point in time. I did not hear any call to arms when Saddam Hussein was fighting against Iran and we thought he was a good guy because he was taking on those crazy fundamentalists such as Ayatollah Khomeini. We said: "Hey, go to it, Saddam. You're doing our job for us in the Middle East."

We were prepared to accept that, not only to accept it but we were selling them weapons and giving them food credits. The West Germans were helping him build his nuclear technology and the French were selling him jets. The Americans were having a wonderful time with him.

It was only two or three days prior to the invasion of Kuwait that Saddam Hussein had an interview with the U.S. Ambassador about the major borders dispute, and she said: "I am under instruction to tell you that that is purely an Arab matter in which we have no interest." Holy cow! Wow!

Where were the Prime Minister and the Secretary of State then? Why were we not standing up and saying: "My goodness, me, look at this affront to international law that is taking place. Look at what is happening. Quick, let's get out there. Let's get the troops mobilized." No, it was total silence. Nothing was said.

I am not saying that that past wrong should be repeated. What I am saying is let us recognize our own guilt and our own culpability as western nations in creating the Saddam Hussein's of the world by selling them arms and by giving them license to continue his kind of political adventurism without any restraint because he happens to be supporting our objectives at that time. That is what was going on.

How can we justify that kind of action now? It is not only human casualty and human suffering that will be felt. Just think of the political catastrophe that will occur. Do you think that by beating Iraq into the ground that all of a sudden there will be the gentle flowing of milk and honey down the Tigris and Euphrates? No, sirree, Mr. Speaker. The Syrians and the Iranians are going to be moving in to fill the political vacuum.

One of the questions we have to ask is, are we prepared to spill Canadian blood to help the Syrians and Iranians exercise further domination in the Middle East? Is that one of the objectives that the government is setting out? Let's hear from them. Is that what we are after? I tell you that political vacuum will be there and it will be filled.

• (1630)

What happens in terms of the Secretary of State for External Affairs saying: "Well, let us really consider how awful sanctions are that we have to wait and there will be instability and economic deprivation"? Do you think you can recreate and reconstruct the entire Middle East of Jordan collapsing within 24 hours by a full invasion of both sides? How much money will it take to rebuild that

poor country? How much money will it take to rebuild the oilfields that will be destroyed within hours? How much will it take to repair the ecological damage that will be felt right around the world? When will the bills start being paid for that? How much are we prepared to pay and how much are we prepared to absorb in terms of trying to deal with a serious and sort of controllable problem of terrorism around the world?

How do we as a country, as part of a western community, say to the massive numbers of Arabs around the world that somehow this was an act of charity to go in and bomb the hell out of their countries? Are we prepared to suggest to them that somehow this war will be a solution to those problems? I would put this thesis on the floor of the House. Totally contrary to the arguments of the government that this is a way to defend the UN, I say this is a way that will bring down and erode the UN. How do you convince millions upon millions of people in the Third World that this is not simply another exercise of great power domination covered over and camouflaged to protect oil interests, to protect geopolitical interests, to protect national interests in the gulf?

The United Nations is not the private preserve of western countries. The United Nations belongs to every single group of people in the world and it must enjoy the respect of people in the south. No wonder the real dangers that we face in the years ahead is the growing division between north and south, the growing economic gap, the growing gap of poverty, and the growing gap of power. Do you think that by turning the United Nations over as a way of attacking on this issue, using force against people of this kind, that we will convince people of the southern part of the globe that we are sort of beknighted and benign? Of course not.

Let us take a clear look at the cost of war. Let us be honest and forthright and calculate what it means in human terms, in economic and ecological terms and basic political terms. I want to contrast that against the role of sanctions.

Mr. Speaker, I see that you are giving me notice of time. I think we were courteous enough to give the Secretary of State for External Affairs some extended time, so I presume I might ask for the same privilege of members opposite.

The Acting Speaker (Mr. DeBlois): Does the House agree that the hon. member for Winnipeg South Centre shall continue?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The hon. member has the floor.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I appreciate the courtesy of hon. members of the House and we will reciprocate on any occasion possible.

I want to talk about sanctions for a moment because this is where the crux of the debate comes in. This is not a debate, a nuance that has been presented of those who want UN action against those who are prepared to be pacifists and sit on the sidelines.

The Secretary of State for External Affairs, I thought in quite a malevolent way, started saying "hey, folks, this is a choice between action or talk." No, no, that is not the choice. The choice is between what kind of action? What are the most effective action? What is the most effective instruments we can produce? That is the real issue. That is what it is all about.

Then he goes on to say: "Show me". Well, I want to turn it around. It is clear to me that the onus of proof for those who want to undertake military action about whether or not sanctions are working belongs to them. They must prove that sanctions are not working in order to justify the use of force. They must demonstrate that it is not working.

When sanctions were introduced by the UN Security Council, a special committee was established of which Canada was a vice-chair. Its job was to monitor and assess the effectiveness of sanctions. That committee has yet to report. It has not given an assessment yet, and I must say for all I respect the Secretary of State for External Affairs in terms of his experience, if not his logic, I am not prepared to take his word for it.

I do not think that Canada should be going to war on the opinion of the Secretary of State about whether or not sanctions are working. I want to see a very clear-cut assessment made under the Charter, because the steps are all set out as to whether the sanctions are properly being applied, used and effective enough.

I will offer my own personal opinion, and I would suggest that it may be just as good as the opinion of the Secretary of State for External Affairs because I was in Iraq. He was not. I put that on the table. I was there. I do not pretend I saw everything or went everywhere, but we were there for 12 days and we had a lot of time between meetings, and that was the question we kept asking.

Even the Secretary of State for External Affairs concedes our point that there is a substantial erosion in foodstuffs, in the economy, and in the industrial capacity of the country. Inflation is hundreds upon hundreds per cent. A can of beer costs $32. It is the best place to dry out in the world.

Unemployment is now 40 or 50 per cent. Why? All the factories are shutting down. They are cannibalizing cars and trucks to get spare parts. They cannot refine their petroleum. They no longer have additives, because everything is imported.

While the Secretary of State for External Affairs dismisses the Brookings study—he says: "Ah, it does not mean anything"—it points out very clearly the linkage between economics and military. I think I am being fair paraphrasing it. The argument is: Saddam Hussein is a ruthless dictator. He will let his poor people starve, and he is immune and isolated from any impact.

He is not immune from supplying gasoline to his army. He is not immune from aeroplanes that no longer have spare parts. He is not immune from the kind of basic wherewithal that makes an economy work.

Why, in the Second World War, did we have B–17s and Lancaster bombers leaving Great Britain every night to bomb the hell out of Dresden and Cologne, every major industrial city in Germany? Because we wanted to destroy its industrial capacity so it could no longer fight a war. That was the stated objective of the strategic bombing program for which countless Canadians, including one of my uncles, gave their lives in a worthy cause.

All of a sudden, the Secretary of State for External Affairs, the military genius that he is, says: "That no longer counts for anything. There is no connection between the economy and the military. There is no linkage any more."

I think he is dead wrong. He is simply using that as sort of a canard, a false argument, because he realizes and recognizes that his only way of justifying military action which the government became committed to last November is that they can assert that sanctions are not working.

I am prepared to debate with the Secretary of State for External Affairs any place, any time and anywhere in this country about that. I will tell him something else. Let's not worry about it. Let us do it properly. Let's go through the United Nations, the way it is supposed to go. What is the use?

This is a government that says it wants to defend the UN. Okay. Let's work through the UN. That is what it is there for, but it has not been followed up to now.

To take it one step further, I challenge the government today—good citizens that we are internationally—to call a meeting of all the coalition partners, which are presently exercising a monitoring function in the gulf on the sanctions program. Let's bring them together and say: "Is it working or not, folks?"

Let's get their assessment. Let's get it out in public, and let's ask them: "How can we tighten it up? How can we improve it? How can we ratchet the pressure on? How can we squeeze them harder?"

Let's have a kind of international mission. The Secretary of State for External Affairs says he wants ideas. Okay. Let's take some initiative. Let's see how sanctions can really be put to work. He says: "We do not have time. We are in a rush. We are in a big hurry." He says: "It is too costly. We have to keep those people out in the gulf. It is going to hit our budgets."

From 1948 on, the western countries maintained close to 1 million troops in western Europe on the threat of a Soviet invasion. It cost Canada $1 billion a year. For 45 years we kept them there. We never used them, thank God, because we knew if we used them it could bring about nuclear exchanges and all their dangers.

We kept them there. We were patient. We realized it was a sacrifice and a burden, but we did not even have sanctions on the Soviet Union. We were selling them wheat at the same time.

What would happen if the United States reduced its troops substantially, had a defensive posture in Saudi Arabia, maintained the sanctions, put more squeeze on and said: "Okay, Saddam Hussein, hands up baby because we are going to get you. You are going to have to capitulate. You are going to have to give in because you cannot sell any oil. You have no more foreign reserves. It is just not only a matter of starving your people, but you cannot get your heart operations. You cannot drive your trucks. You cannot do anything any more." Mr. Speaker, I tell you that Saddam Hussein would be at the table soon enough. But he will not be there under 678 because we say that is an ultimatum. I guess if you know anything about Arab politics, and I do not pretend to be an expert, you do not force their backs to the wall, you do not say, "lose face", you do not say, "give in right away" and "Here is the time, and if you do not do it now we are going to hold a gun to your head". That is not the way to bring about a peaceful solution.

Just let the squeeze take place, just keep rationing going. That is the argument I would make and that is the kind of argument Canada should have been making during that period of time.

• (1640)

I could cite a variety of supports. There is one, though, which I would like to bring to the attention of the House. It was sent to me by a group of researchers at the Centre for International Strategic Studies at York University, and talks about the choices, sanctions versus others. Let me just comment on this because these are experts with no axe to grind.

They said an economic blockade and boycott have unique advantages over a military attack because, first, acquiring nuclear weapons are of little use against an economic blockade. Second, the target nation cannot reply in kind in any effective way. If you are Iraq, how the hell do you put an economic embargo on the United States? It is impossible to retaliate. Third, blockades and boycotts work slowly. This is an advantage as events are less likely to run out of control. Fourth, they allow negotiations to proceed even while economic pressure is being applied; military action interrupts negotiations. Boy, that is an understatement.

They go on to say that, fifth, they are highly reversible and one can ratchet the strictness up or down in response to diplomatic progress. That is an important point and let us not forget that. The good thing about sanctions is you can reward response and you can punish lack of action. We have not used sanctions that way. We have not turned the screws to tighten them and released them. For example, I make this case: there was a lost opportunity by this country and others when Saddam Hussein released the hostages. There was an opportunity there for us to respond, just a little bit. Maybe we could have said food and medical supplies could go through more freely. There were real shortages and a real squeeze in that country so we could have said: "All right, you are releasing the hostages, that answers one part of the UN resolution," a very important part.

That was the time to relent perhaps a little, ease the pressure. That might have got some kind of response but, no sir, that very day the President of the United States said: "Hey, the hostages are gone, good; now we can go in an bomb the hell out of Baghdad". That was the response not "Let's use sanctions as a way of giving it a little bit of a lurch, a twist a spin". No, no, he said: "Now we can bomb". So, Saddam Hussein said: "Hey, I just released the hostages. You have been asking me. You have had all these crazy parliamentarians coming here for months. We finally listened to them and let the hostages out." Why did we not show some response? Why did we not show some initiative?

The fact of the matter is, as I have just gone through this kind of analysis, that sanctions do have a lot of advantages. Perhaps the biggest advantage is that you do not kill a lot of people with sanctions. You do not destroy countries with sanctions. You do not destroy an entire region with sanctions. I do not care what the Secretary of State for External Affairs says, by any reasonable, logical, common-sense calculation, putting the balance sheet down in black and white, adding up what is the preferred method of getting Saddam Hussein to withdraw, I would say sanctions and diplomacy versus military action will win every single time.

To give up so early and so quickly and to abandon sanctions right now means that the international community can never use sanctions in the future because Iraq was such an ideal opportunity, according to the Brookings study, which showed that perhaps there is no country more vulnerable to sanctions than Iraq. In a sense, if you wanted a model to test, here it was and we have given up on it within four or five months. When are

we going to be able to use it again? Does this mean that from now on, every single time there is an act of aggression, the international community is going to war? The entire world is going to be a garrison state. We will not just have conscription from 18 years old to 40 years old. Mr. Speaker, you and I will have to join up, simply to meet that kind of requirement.

An hon. member: We don't believe that.

An hon. member: Not to worry.

Mr. Axworthy (Winnipeg South Centre): My colleagues are suggesting that, for the sake of the Canadian Armed Forces, I should not join. I agree with that. That is the real calculation. That is what Canadians out there are asking about.

I just want to raise one final point about the condition that we face if there are hostilities in the next short while. I pray to God there are not. I pray to God that whatever is taking place this afternoon works. But if there are hostilities, when the judgment comes, what is the role of Canada? Should we march into the barricades waving the flag, not the UN flag but whatever flag it happens to be? We do not know which flag it is going to be. It could be the Saudi flag, the American flag, some flag, but not the UN flag.

I make this case to members opposite. The contribution we can make in a military sense is minuscule. We have got good airplanes. We have wonderful armed services personnel, but in the over-all weight of military action our contribution is small. It is small at least when we weigh it against the contribution we can make in the political, diplomatic sense. Wars have to come to an end. Cease-fires have to be negotiated, truces have to be honoured, peacekeeping has to take place, bridges have to be built, reconstruction has to occur, and that is the peculiar Canadian talent. That is the kind of capacity and ability we have nurtured and built up over the years. That is what Canadians want to support. For us to become a combatant, for us to be on the front lines, will destroy and eliminate the ability of Canada to play that kind of role.

The Prime Minister said this morning: "I don't see why we couldn't peacekeep". Do you think, Mr. Speaker, in the Suez crisis that the Egyptians would have accepted the French or the British as a peacekeeper in those circumstances? What kind of convoluted logic is the Prime Minister using? What kind of cuckoo-land does he draw his ideas from? You do not become a peacekeeper when you have been shooting at the other side. You have to be there as a neutral or at least as a non-combatant at the back side.

Certainly we heard this morning about the threat that might occur to Israel if there is a war. First, let us understand one thing about Saddam Hussein. He said: "I am only going to attack Israel if I am attacked". There is one way to make sure Israel is not attacked by Iraqi missiles, and that is not to have hostilities against Iraq. That is the way to prevent it from happening. But, if it does happen, then surely to God we realize that the conflagration is going to spread like wild fire and someone is going to come in and say: "There has got to be a cease-fire", someone is going interpose themselves and say: "We can't have a war."

Mr. Speaker, I make the case to you. Goodness gracious, this is what this country has been able to do over the years. At this crucial time in history, let us not abandon that approach. When they talk about the Pearsonian tradition, that is the Pearsonian tradition; not a great power, not a military band wagon, not something gargantuan that is going to throw its weight around, but a country that understands that bridges have to be built both in war and peace. That is what we want Canada to do.

The Secretary of State for External Affairs ended his speech with the question of what should we do. I suggest that he listen to Canadians. I suggest that he start reading his letters. I suggest that he start listening to his phone calls. I think he should start understanding that there are Canadians out there who are not afraid, who are patriotic, and who believe in the world order but who do not believe in going to war because it is not the Canadian way. It is not the Pearsonian way. It is not the kind of traditions that we have built up.

Thousands upon thousands of Canadians are writing every one of us. I ask Tory members to read their mail, listen to those calls and see what Canadians are saying. They are saying: "Do not go to war".

In the Gospel of Saint Matthew it says: "Blessed are the peacemakers for they will be the children of God". I say to you, Mr. Speaker, blessed are today's peacemakers because they will preserve and maintain the sanctity of life of the children of God all around this world. That is the way that we should behave as a country to protect the children of this world. The way that we can do it is to stay true to our traditions, our values, and our beliefs.

[*Translation*]

The Acting Speaker (Mr. DeBlois): On a point of order, the Parliamentary Secretary to the Government House leader.

[*English*]

Mr. Cooper: Mr. Speaker, there have been discussions among the three parties and as many of the Independents as I was able to contact. I believe Your Honour will find unanimous consent for the following motion:

> That the House continue to sit beyond the ordinary hour of daily adjournment until 12:00 midnight, in order to continue debate on Government Business No. 27 respecting the Persian Gulf crisis;
>
> That the proceedings on Private Members' Business be suspended and this day's scheduled item retain its place on the Order of Precedence on the *Order Paper*;
>
> That no dilatory motions or motion to adjourn the House or quorum calls be received by the Chair; and
>
> That at 12:00 midnight, the House shall adjourn until 2:00 p.m., Wednesday, January 16, 1991 and when the Orders of the Day are called, the House shall resume debate on Government Business No. 27.

• (1650)

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to receive that motion?

Mr. Milliken: Mr. Speaker, with one brief caveat. I think at three o'clock tomorrow there will be Routine Proceedings called first and, upon government business being called, the debate will be resumed. Otherwise, we are in full agreement with the motion.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, there is full agreement on behalf of the New Democratic Party too.

Mr. Nowlan: Mr. Speaker, this is not a caveat. I understand the parliamentary secretary's motion. I am in agreement because I guess the intent is to continue the debate until all members have had a chance to speak and we will see tomorrow at six o'clock what we do then.

Mr. Cooper: Mr. Speaker, I can confirm first of all that yes, we would follow the normal Routine Proceedings tomorrow afternoon at three o'clock. It is certainly our intention at this point to have this debate continue to give every member an opportunity to participate in it. It is an important debate, and that is precisely why we asked that the House be called back so that members could participate in it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I gather there is unanimous consent to put the motion. The House has heard the terms of the motion presented by the parliamentary secretary. Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): It is so ordered.

We will now proceed to the question and comment ten-minute period.

The hon. Parliamentary Secretary to the Secretary of State for External Affairs.

Mr. Patrick Boyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I have a question for the hon. member.

[*English*]

I think the hon. member has given a very powerful speech and made a number of points. However, the points with respect to sanctions I find to be very strongly advanced. I find there is a great deal of validity in what the hon. member says about the importance and the role of sanctions in a situation like this one. I will return to this subject at greater length when I am speaking in this debate myself and pursue further the points he has made.

There is one area that I would ask him to clarify at this time, and that is with respect to his statements regarding the resolutions that have been passed by the Security Council of the United Nations and his apparent suggestion that these resolutions were somehow in violation of the UN charter itself.

Clearly these resolutions were not passed in any vacuum. They were passed after they had been drafted by members of the Security Council and examined certainly by the Secretary-General of the UN and his staff, his legal advisors whose responsibility it is to see that resolutions are not only in accordance with the wording of the charter, but in fact further the intent and purpose of the charter.

It is on this specific point that I hope that he would bring the same forthright expression of his views to bear as he has on the question of sanctions. I find it a difficult position for the Parliament of Canada to be debating the resolution we are when an argument is being advanced by a front-line spokesman for the Liberal Party and someone with a lot of knowledge about this subject, contending that these resolutions, which form the basis of the collective approach that all the nations are taking against the Iraqi occupation and annexation of Kuwait, are somehow inconsistent with the charter. I have a lot of trouble with that point. I ask him if he can clarify it.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I thank the hon. parliamentary secretary for his comments. I will attempt to clarify the point I was making.

In my speech I did not say all resolutions. I said that the resolutions beginning with 660 up to those which require the different participating countries to monitor and enforce the sanctions for military purposes were in accordance with the charter, using article 41 under chapter VII. It is with resolution 678 that I have trouble, because under the charter article 41 clearly states that the Security Council is empowered to advance an economic embargo and that member states are required to adhere to it.

Article 42 states that the Security Council must then consider whether the sanction or embargo is working and, if in its judgment it is not working, it triggers articles 43, 44, 45, and 46, which is to engage in the development of a military action. This means the setting up of a UN military high command which then requests from individual countries contributions of both air and ground troops. It then puts that package together and says that it is now prepared to use military action.

That would have been both the preferred method and the method that we should have advocated as Canadians. First, it sets out a clear protection that accountability and decision making in determining whether or not sanctions are working are for the UN to make. Second, the decision on military force is again that of the UN Security Council, and the military high command is subject to it. That in fact was what took place in the Korean war.

What we are saying is that 678 is a hybrid resolution. I am not saying it violates. I am saying it is hybrid. It is outside that very clear-cut set of procedures under chapter VII in articles 41, 42, et cetera. That is what gives me great concern, in that we are sort of buying resolution 678 as being the answer when I think it creates serious problems for us as Canadians. First, there is no mechanism for deducing or judging whether or not sanctions are working and the UN has not in any way dealt with that issue. It has not given any kind of assessment, publicly at least, on that issue as it is required to do under articles 41 and 42.

Second, resolution 678 leaves it up to individual initiatives to use military force. That creates, as my colleague said today in Question Period, substantial confusion as to who is in command, who is in control, and who makes decisions. For many countries that are quite nervous about this fact it is turning over a kind of UN mandate to a couple of large countries to determine how to use it.

That is why I find 678 to be a maverick resolution and one that I think we should have objected to. I still think that we should have time to go back and say: "Now that the January 15 date has been met, let's bring the charter into play. Let's use 42, 43 and 44." That does not in any way back off from the clear message to Saddam Hussein that if sanctions do not work and he does not clear out ultimately there may be military action, but it will be done clearly under the UN charter and not outside it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Resuming debate. The Parliamentary Secretary to the Minister of National Defence.

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, one of the most remarkable aspects of the gulf crisis is the unanimity of the international community on the need for ending the occupation of Kuwait by Saddam Hussein. There is no better example of the post-cold-war situation than the debates in the UN Security Council, where delegates from Canada, the United States and the Soviet Union voted together to support the most strongly worded resolutions to come out of the Security Council since the Korean War.

Of course, Mr. Speaker, this is how the drafters of the United Nations charter wanted the organization to function. Now that the paralyzing effects of the cold war have subsided, a new world order where collective security would play a major role is becoming a distinct possibility.

• (1700)

The invasion of Kuwait has reminded us that despite considerable improvements in East–West relations, wars and armed conflict are still a fact of life in many parts of the world. More than any other area on this planet, the Middle East has tended to be a focus for this type of conflict. The history of the area is rife with dispute and controversy. Unfortunately, mediation in this part of the world has proved extremely difficult.

Iraq's invasion of Kuwait is as easy to understand as it is unacceptable. What we have here is clearly a form of expansionism, a desire to gain supremacy over the entire area. A unanimous response on the part of the international community is the right way to deal with this kind of situation. The importance of the Middle East, where events have global repercussions, makes it necessary for us to be part of this joint response and thus for Canada to do its share.

I think most of us have a good idea of the major role events in the Middle East have played in the history of the world. For a long time, it was a meeting place of different cultures. The cradle of civilization was located between the Nile and the Euphrates. It was also the birthplace of three of the world's great religions. Our trading system is rooted in that area, not only because the great trading nations were born there but because it area is on the crossroads of trade routes linking Europe, Asia and Africa. As maritime trade developed, the waters in the area, first the Mediterranean and more recently the Red Sea and the Persian Gulf, proved essential for the future development of international trade.

The area has a wealth of national resources. Water was a decisive factor, as it is in major river systems throughout the world. The Nile, the Tigris and the Euphrates fertilized the land. Today, however, another resource has become particularly important: oil. More than 50 per cent of the world's oil reserves are located here. As we have learned through experience, any interruption in the delivery of oil from the Middle East would have an immediate and lasting impact on the world's economy.

Unfortunately, some of these aspects have made the region an area of endemic conflict. Its location, while giving birth to a whole civilization and trade, also attracted invasions and war, fire and bloodshed. Religious fanaticism lead to acts of violence and wars. In short, the area's tremendous wealth has been the object of everyone's desire. From now on, not only the reserves of oil might be at stake but also water which could become an increasingly rare commodity and therefore give rise to major conflicts in the area.

Nowadays, political and technological developments have made more complex the enduring features of that troubled region. The decolonization process was carried out more painfully than elsewhere, resulting in such problems as the fierce conflict between Israel and the neighbouring Arab countries.

Because of the superpowers' rivalry, the risk of regional conflicts turning into world wars is ever present. More recently, as a reaction against the West's culture and economic hegemony, Islam's fundamentalism introduced a new and volatile element in the policies of this region and even beyond.

Technological advancements, especially in the military field, have dramatically increased the risks of regional conflicts and greatly reduced the time the governments have to respond to critical situations. Political conflicts have now serious implications for the Southern flank of NATO—beginning with Turkey—as well as Africa, South West Asia and certain parts of the Soviet Union.

At a time when as a result of disarmament efforts the demilitarization of Europe is under way the Middle East is in the process of becoming the most heavily militarized region of the world. The outlook for the future is not at all encouraging because of the constant proliferation of mass destruction weapons and their delivery systems.

The current crisis in the Persian Gulf seems to have developed overnight, but appearances are deceiving the causes of the situation are to be found in the past. Since 1948, most of us have been inclined to focus our attention on the conflict between Israel and the Arab countries. It is essential, however, to remember that struggles between Arab countries also had a great impact on the modern history of the Middle East and the Persian Gulf.

The combination of Arab nationalism and Islamic renewal represents a somewhat new phenomenon. However the issue of Arabic identity in the modern world has been a much controversal issue for quite a while in all Arab countries. It is the main reason behind most divisions between these states. The desire for Arab unity and leadership, especially with regard to Israel, weighs heavily on the political culture of that region. Nevertheless these aspirations are but an ideal constantly eroded by a great many ideological and political undercurrents.

In the 1950s and 1960s, Arab policies were marked by intense rivalries, short of outright wars, between traditional Arab monarchies and the supporters of the more radical vision of Gamel Nasser, the then President of Egypt.

The tormented history of Iraq and the current state of things should be put in perspective. At first glance, the official philosophy of Hussein's regime contains very strong Pan–Arabic elements which could provide Iraq with a leadership role in the Arab world, which at least some could expect. However, the Iraqi regime's support of these ideals characterized by extreme radicalism and violence which have isolated Iraq from the other Arab countries. Nevertheless, Saddam Hussein is still trying to establish his supremacy over the region, of which the invasion of Kuwait was but a first stage.

The Iraqi President has tried to justify his aggression in different ways. He has presented it as an act of liberation of the Kuwaiti from a monarchy, as a territorial conflict, as a holy war against the West and its Arab allies, and, finally, as a means to ensure a more equitable distribution of wealth in the region as a whole. Close scrutiny of the reasons put forth reveals how false they are and shows that the actions of Saddam Hussein are nothing more than attempts on his part to impose a dictatorship in that region of the world.

The argument that Iraq was seeking to lend fraternal assistance to revolutionaries anxious to overthrow the monarchy in Kuwait proved to be pure fiction. Six days after the invasion the Iraqis demonstrated the inanity of this argument when they proclaimed their eternal and total fusion with Kuwait. This second claim stemmed from a territorial conflict between both countries which they thought had been settled in the early 1960s.

Now and again, however, Iraq continued to lay claim to two small islands in the north of the Persian Gulf. Under Iraqi control, these islands would provide Baghdad with readier access to the sea. The negotiations on these two islands do show the bad faith of the Iraqi régime. They went on until as recently as July 31 when Iraq suddenly put an end to them by stating that Kuwait was not seriously considering relinquishing the territories in dispute. Irak's "response" was to invade Kuwait.

• (1710)

Faced with the determination of the world community against the invasion of Kuwait, the régime of Saddam Hussein tried to pass the conflict off as a holy war between Iraq and its opponents on one hand and the West and their allies on the other hand. The list of countries party to the multinational effort, including nine Arab countries and a few other Muslim states such as Bangladesh, shows that the argument is sheer sophistry.

The second Iraqi attempt to restore a dignity of sorts to this action was to say that the monarchs of the gulf kept for themselves the oil revenues which in fact belonged to all Arabs. This argument would carry more weight if it did not come from a country which was not a major oil producer and which had not received financial assistance from the gulf monarchs during the eight years of war with Iran.

None of the Iraqi arguments can stand close scrutiny. The annexion by Iraq is nothing more than an act of aggression to dominate a region, an act which nothing can justify. If the occupation of Kuwait continue, it might have further consequences.

One of these can already be felt—higher oil prices. This increase would affect not only the economies of our trade partners in the most industrialized countries. A sharp increase in oil prices would be an additional hardship for the eastern European countries which are experiencing enough difficulties as it is in their transition to a market economy. The load would become almost unbearable for the developing nations.

This scenario has major ramifications as regards the security policy. The economic crisis resulting from a sharp increase in oil prices could seriously destabilize the political scene. This instability could jeopardize fragile new democracies in eastern Europe or cause disturbances in developing countries, in addition to the problems these nations are already faced with. Violent conflicts could then occur.

Another potential source of political instability is refugees and uprooted foreign workers, whose desperate situation is increasingly apparent. It is well known that this is a major problem in a country like Jordan. In fact, the Secretary of State for External Affairs announced a few months ago that Canada will provide assistance to the countries faced with this serious problem.

The response of the international community to the invasion of Kuwait is very encouraging. It carries the promise of better prospects for collective security as an integral part of the new global order. The potential for such cooperation on security issues is really the kind of peace dividend we were hoping to achieve with the end of the cold war.

Saddam Hussein attempted to darken these wonderful prospects by brutally invading Kuwait. The international community is determined to prevent him from succeeding. The situation in the Middle East is the fisrt test for the new global order which is emerging.

Peace logic, war logic: The hour of truth has come. Like their glorious predecessors, the Canadian servicemen and women are prepared to do their duty with courage and honour, alongside the troups from 30 or so countries advocating the rule of law, civilized standards, and a new international peace order. Canada is with them in heart and in spirit. We want them to know that we are proud of them and that we depend on them. This is the message we have for them in this grave moment for our country and for the rest of the world.

Mr. Joseph Volpe (Eglington—Lawrence): Mr. Speaker, I have a few questions for the hon. member. I would like to get back to his reference to the sequence of events in the Middle East. I will proceed in English.

[*English*]

Both in reference to what he said and to what the Secretary of State for External Affairs indicated is that Canada had exercised great influence on the world community starting on August 2. I think that the Secretary of State for External Affairs indicated that it was thanks to our Prime Minister that the Americans decided against the surgical strike in the Middle East. That augurs well for Canada because it suggested that we have enormous influence.

It also suggests that Canada, if it is going to act with any kind of balance and authority, has as well a credible plan in place in order to ensure that the kinds of actions that it is asking this Parliament to embark on are going to bear fruit for the international community and bring credit to Canada on behalf of long-term peace and stability, not only in the Middle East but elsewhere. These are factors that both the minister and the hon. member who just spoke have acknowledged.

The Canadian government is obliged to inform the House what the necessary steps are to ensure that we win peace, whether it comes about as a result of the government's initiative after midnight, or whether it comes about as we would propose, that is, by sanctions.

We have a right to know, and the Canadian public has a right to know. If it is going to consider seriously the motion that the government is putting before the Canadian public, what will be Canada's role in the process, both in terms of lives and in terms of resources.

For example, after midnight, will the Canadian government honestly tell the House whether it intends to use its forces in their current state and whether in fact they will continue blockading? Will it shift the commitment to provide defensive cover for front-line forces or will aircraft be used in an offensive and aggressive mode in the Middle East?

What will be done to ensure that Iraq will no longer be able, after our intervention, to take control of Kuwait again, to threaten the oilfields, or to threaten the Middle East and bring it to the brink again.

If a military intervention is what the government says is absolutely indispensable to the resolution of problems and to ensuring long-term peace after the destruction of Iraq, both in terms of its leadership, its economic capability, and its military, will the government tell us what intentions it has to maintain order, to feed the people that will be deprived of resources, and to prevent a power vacuum? How will it deal with the estimated 1.5 million refugees that will emerge from the conflict? The Canadian public needs to know the answers to these questions.

It also needs to have assurances that the government will not allow peace to emerge at the expense of interests of other nations in the area. I refer specifically to Israel. It should not be asked to sacrifice its national interest and security in order to arrive at an arrangement that will satisfy some members of the alliance.

It is only right that Canadians understand that the Canadian government has an over-all objective, after the conflict, after tomorrow, before we consider the motion that the government has presented to us. Will we get an answer to that from the hon. member?

[*Translation*]

Mr. Speaker, I get the impression the hon. member is not really interested in the answer, since he used all his time to ask his question. I will try to be as brief as possible.

The plans to which he referred are in fact the approach we have taken from the outset. The hon. member seems to think we have a whole set of tactics and secret plans that will come into play at the stroke of midnight or five to, which it will be very soon.

Our plan in this country has been consistent. What I can't stand is the kind of hypocrisy I am seeing here. We discussed this in September and October, in the House. A number of resolutions were adopted. Your party and the New Democratic Party opposite said that they were prepared to support this kind of resolution, provided this is done under the auspices of the United Nations. This resolution is under the auspices of the United Nations, and still they don't agree.

Canada, unlike other countries which are not so far away, has always had a profound respect and has always worked very hard for the UN. We are one of the pillars of this organization. In fact, I think we are the fourth largest country in terms of contributions. We play a major role at the UN because we believe in the UN.

• (1720)

There are other countries that are more skeptical. There are other countries that would rather go it alone, and their game may have been upset by the action taken by Canada and certain other powers that got on board with people who got itchy feet at the very start of the conflict, in order to prevent a conflict from breaking out in August. It is now January 15, a fateful date, and we have progressed considerably since what happened in August, and we are getting there.

I still think that if we manage to get together and take up a strong position—not an armed position, but a strong position—we can make this dictator listen to reason.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a number of statements from President Bush, Secretary of State Baker, and the CIA Director Webster made in the early fall indicating the gravity of the impact of sanctions on Iraq. They talked about oil exports having been halted and virtually nothing getting in or out of the country.

I have more recently similar statements from Senate Majority Leader Mitchell and Senator Edward Kennedy. Debates were held last week in Congress.

Will the member opposite admit that sanctions could achieve the retreat of Iraq from Kuwait?

[*Translation*]

From what he knows and has heard, does he think it would have been possible to get Iraq to withdraw from Kuwait with sanctions alone?

Mr. Speaker, that would have been ideal, but I don't think it will get that far.

Currently, President Saddam Hussein has become an expert at letting the civilian population bear the brunt of the sanctions. The army is not affected by rationing and continues to get its arms and military equipment, while the civilian population suffers. This could go on for ages. I do not think sanctions alone would be enough to bring a government to its knees. However, sanctions were useful in sending a clear message to this president who was not open to any other kind of message.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I stand in the House today with a deep sense of humility and great pride. The humility is in the wake of those great Canadian orators and architects of our history who have stood here and shaped the course of Canadian history by the very debates and the decisions that they have made on issues such as this, on occasions when the debates have taken on the same amount of emotion, the same amount of dignity, and indeed the same amount of passion.

I stand here with pride which is in the reflection that this forum of legislative debate represents human liberty as we know it in Canada in its purest form yet devised. Here in the House of Commons, in Parliament, is centred the hopes and aspirations and the faith of the entire Canadian people. I know they are watching tonight, and I know they are trying to place semblance of order and sense in what is being debated.

I want to add also that I do not preach as an advocate for any partisan cause, because I believe the issues are fundamental and reach beyond the realm of partisan consideration on this side and on the other side of the House.

They must be resolved on the highest plain of national interest—and I stress "national interest"—if our course is to prove sound and our future is to be protected.

I trust that you, Mr. Speaker, and those watching and listening to this debate will do me the justice of receiving what I have to say as solely expressing the considered viewpoint of a concerned Canadian. Therefore, I address the House with one purpose in mind: to serve the best interest of our country.

For any civilized society to commence full scale war—that is what we are talking about here—surely requires that every viable alternative be exhausted first. Given the horror of destruction, disorder, and death that war necessarily entails by its definition, it must be the final resort.

I am not suggesting that the use of force should be ruled out. In fact, in the final analysis there are compelling circumstances that may demand a final, bloody solution to this crisis. But have those circumstances presented themselves yet? That is what this debate is all about. The issue is judgmental.

Although I was impressed by the speeches of the Prime Minister, my leader, the Secretary of State for External Affairs, and the hon. member for Winnipeg South Centre on this issue, I have heard very little evidence that would convince me that the course of action that we take and decide today is clear and based on firm evidence that could be refuted in this, the highest court in the land.

The issue is what is in Canada's best national interest. There were a number of things in this debate that were in our interest. To begin with—I am not going to recite the history—it was in Canada's interest that the United Nations condemned the Iraqi assault on Kuwait. We in the House supported it.

It was in Canada's national interest to have multinational forces in the Persian Gulf. That received our support. It was in Canada's national interest to have economic sanctions against Iraq in a hope of convincing them to get out of Kuwait. We supported that.

It was in Canada's national interest to have the Canadian forces involved in the Persian Gulf to enforce these UN resolutions and that also received support from the House.

Now that Hussein, the master of brinksmanship, in the light of all this action does not blink, we want to resort to force. Is that in Canada's national interest?

No matter how I look at this issue and no matter how my emotions take me, whether it be to use force or to continue sanctions, because that seems to be the *Y* that we are at right now, I always have to bring myself back to the same question: What is in Canada's national interest?

To my mind, the debate on economic sanctions has not been satisfactorily resolved. I have evidence, suggestions, and ideas like others on what the embargoes can do. My latest information—you can draw your own judgment—is that the Bstockpiles in Iraq as of the end of September would last anywhere from four months to ten months.

• (1730)

Iraq had a bumper wheat crop this year and it is generally supportive in fruit and vegetables. The evidence that I have is that its economy is being crippled. How long can it supply a favoured element of the society, which in this case is obviously the military and its forces, at the expense of others? I do not believe it can continue to have 97 per cent of its exports cut off. I believe Iraq has a single commodity export largely. Its oil is not getting out, and 95 per cent of its imports are cut off. How can anybody say that it will not have an effect? That is a contradiction of terms.

The point is that it is judgmental. We are now using an argument that for the reasons that economic sanctions will not work in the judgment of the government, it has agreed essentially that Canada should join those other countries that believe they should resort to force.

I am not against the use of force. I have been trained for a life time in the use of force. It has been kind of a corkscrew feeling, if you like, where you train yourself to be the best at doing something you hope you never have to do, and that is true. I mean that. I would suggest that for those who are trained in the use of force and who understand the use of force, the more you understand it, the less you are disposed to use it. We are looking at here the unleashing of forces that will cause the world never to be the same. There may be a time when we have to do it but it has to be the last resort. Is this the last resort? I do not believe it is.

If we have to make a choice, let us weigh the positives and the negatives of each course of action. That is the way I have approached this. What if we go to war? This is not meant as a shock tactic. We have heard about a number of things. We have heard of the missile inventory that the Iraqis have, that they will be able to attack Turkey, Saudi Arabia, the United Arab Emirates and Qatar, where incidentally Canadian forces are stationed. Saddam Hussein has said that he will attack Israel, and Tel Aviv particularly. I do not have to call upon the imagination of the House to envisage what that will drum up.

It is well known that Hussein has in his inventory a frightful array of weapons, a lot of which have been used in previous wars. But it has been some time since the allied forces have witnessed the use of chemical weapons. It is my belief that chemical weapons more than likely will be used in this upcoming campaign.

Let me tell you, Mr. Speaker, just on the chemical weapon side alone about the kind of thing that Iraq has and will use. It has mustard gas which causes burning eyes, blistering of skin, coughing, and bleeding of the nose. Death occurs within about one hour to 30 years, depending on the exposure. I am told by the medical people that death in one hour is preferable to a death in 30 years.

They have a blistering agent. The symptoms are very persistent, producing incapacitating blisters. This was developed from the mustard gas. Death occurs almost instantly if the vapours are inhaled.

Nerve gases produce these symptoms: malfunctioning of the nervous system, twitching, incapacitation. Death occurs rapidly, depending on the exposure. Nerve agents can be countered with antidotes and we have heard some discussion of some recent antidotes. This is one indication of what can happen once we make the decision to go for force.

The Prime Minister in his presentation said something that bothered me and perhaps subsequent speakers can speak to this. He raised the question of how time to allow the sanctions to work would have a cost. I agree with him. Nothing in this world is free. Every course of action we take will have a cost. They have to be measured. The alternative cost of war has to be measured against the cost of war.

The Prime Minister talked about the economic costs. He talked about other costs but the one cost that he talked about that concerned me was the cost of bringing Iraq closer to the possibility of having a nuclear device.

I am concerned about that. There is certainly evidence that Iraq has tried to convert the core of what it has now into an explosive device. In fact it purchased uranium from France in 1975. While it came up with some agreements, there is some question as to whether or not these agreements have been followed.

My best estimate from the judgment of those who know, and those whom I can contact is that at this point in time there is not an imminent threat from Iraq. Nor do they necessarily believe that it will happen in the immediate future. While they do not dismiss the wisdom of a continuing embargo, they do believe that whether or not it is in the timeframe is questionable.

I would submit to you that if we continue with embargoes and if they are as effective as they have been, and continue to be, then the possibility of a nuclear device will be hopefully no closer in six months, eight months, or four months, than it is right now.

What I am saying really is that before we resort to the use of force, we must measure the effect of going to war is going to have on this world, the Persian Gulf and this country. There are all kinds of reservations I have about the very business of going to war. I have a lot of questions. I asked one of the Minister of National Defence today.

My first question, is Canada ready for a war? My hon. colleague from LaSalle—Emard asked the question about the preparedness for war in the sense of civil and domestic aspects. I listened to the answer. I am not sure that I am convinced that we are ready.

I do not have evidence, despite the question I asked of the hon. Minister of National Defence in Question Period today, and despite some private notes that we sent back and forth, precisely what is going to happen to Canada's force in the Middle East, in the Persian Gulf, if offensive action breaks out. Who is going to control our force? There is no United Nations structure. There is no United Nations force commander, as there was in the case of Korea.

As you probably know, Mr. Speaker, General McArthur was the first United Nations force commander. Who is in charge of this operation? This House has not been told who is going to run the operation. These are reasonable questions. I am not being partisan. We deserve to know the answer. If the answer is unclear, perhaps we should not be rushing into the kind of conflict that we are getting involved in.

There are many other aspects of this. There is the aspect of what effect does moving into a war now have while options are still available for peace? What effect will this have on the economy of the world? I hear talks about oil at an outrageous price. Nobody knows for sure, but the figures are astounding. They are talking about $50 to $90 for a barrel of petroleum in the near future. What it means to us in the streets who buy gas is anywhere from 70 cents to $1 a litre in a short timeframe. That is not the driving force, but it is a consideration.

So the question I am asking myself, and the question I am asking the decision-makers is: Have we sat down and thought out all these implications and the implications of the wins, or the gains, and the losses, or the cost, by the course of action that we take. When I do that analysis with the information that I have, my judgment is that we should wait.

• (1740)

I am told by military colleagues and by people who are in the business that there is a window for attack. The closest window I guess is 45 days, and the far window is next fall. I am not in a position to make the judgment on how that window should be used because I do not have the information. The Minister of National Defence, the Minister of External Affairs, and the Prime Minister have at their disposal the intelligence information—to the military expertise that they get from the Departments of National Defence, External Affairs, and others—on which they can base these decisions.

Unless they have information that we do not have on this side of the House and unless they have information from the United Nations other than the unclassified information we have, I am not sure why the decision is being made the way it is being made. There are other alternatives available.

I said that I was here feeling somewhat humble and with a great pride at being able to do what I am doing, to get up and speak in the House on this. I also have great pride in the Canadian forces. They have sacrificed their way of life to be away from their families, especially at Christmas time with the future looking bleak and uncertain and with the thought of war. The unpredictable nature of what is going to happen in their lives is so much more close and so much more constant and a part of their very being and indeed their families than perhaps others who do not face this on a 100 per cent basis do.

I ask myself another question. It has been asked in the congressional debates in the United States that if there were congressmen and senators who had sons and daughters serving in the military, would the vote have been the same. I cannot answer that question. But I can tell you, Mr. Speaker. To those who are voting and making the decisions, I say: Ask yourself one question: Would you make the same decision if you had an immediate relative whose life would be put on the line when you believed in your heart of hearts that there was

another alternative available and when there was another course of action that could be followed?

I support the United Nations. I do not believe there is a person in this House who does not support the United Nations. The reputation that Canada has had where we can accomplish peace without the resort to war would perhaps be an even better testament to what it is we do here in this House.

I am going to close by saying that during this debate we will discuss all kinds of matters, but we will essentially categorize them in time, as they did in congressional hearings. We will quote many people, from Winston Churchill to Theodore Roosevelt, and you name it. We will be talking about the histories of the past with the passions of today, but I believe we should do it with the concern for the possible tears for tomorrow.

[*Translation*]

Mr. Marc Ferland (Portneuf): Mr. Speaker, I would like to congratulate the hon. member for Bonavista—Trinity—Conception on his excellent speech. It differs from speeches made earlier by some of his colleagues.

In the course of his speech he said at least three times that he was not against the use of force. I realize he is a retired rear admiral. He was a member of the Armed Forces at a level very few people reach. Since his rank was the equivalent of a general in the army, if I am not mistaken. He is therefore well aware of the capabilities of the Canadian forces.

In fact, Mr. Speaker, I was amazed that in his speech he seemed to doubt the ability of our Canadian officers to command our troops in the gulf. I found that somewhat surprising because I went to the gulf, during the week of November 11. I had conversations with army regulars, but I also talked to senior officers. I saw the kind of equipment they had, the quality of their training and their motivation. At no time was there any doubt in my mind about the ability of these officers to command our soldiers down there, or about the ability of the men and women we have in the gulf to fulfil their mission. I would appreciate it if he would clarify that part of his speech.

Furthermore, when he says that we have not explored all avenues, I wish he would tell me what avenues Canada has failed to explore so far.

Third, Canada which was instrumental in involving the Americans and the Soviets in recognizing the power of the UN as a common force. For the first time in the history of this organization, in the history of our planet, did he mean that 32 or rather 34 countries, if I am not mistaken, which are involved in the gulf, were all making the same mistake? Are the Liberal Party and the New Democratic Party the only ones with a clear view of what should be done, of what the UN should be doing in the gulf?

[*English*]

Mr. Mifflin: Mr. Speaker, I thank the hon. member for his point of clarification and his follow–on question. I am delighted to respond to it.

I would like to say at the outset that I am disappointed and almost upset that the hon. member, with whom I have worked very closely for the last two years on the Standing Committee on National Defence and Veterans Affairs would circumscribe the comments to portray what he thought they meant. I also want to say at the outset that there is nothing further from anything I wanted to suggest or anything that I said, I believe. I have the greatest faith in and pride in the Canadian forces.

I can assure you, Mr. Speaker, that I am not alone when I say that our young men and women, our officers and our leadership are if not the best in the world, among the best in the world. We have demonstrated that time and time again in NATO operations. Our air force comes out on top. Our maritime command quite frequently wins the trophy for anti–submarine warfare. Our ships in NATO exercises almost always come out on top. Our land forces are well known for their professionalism in NATO exercises.

I am under absolutely no reservation. There is not one element of reservation in my blood that would give me any cause for reservation of leadership and the ability to command within the Canadian forces. That is not the point.

The point is this: When you have an array of 675,000 ground troops in the Persian Gulf area, 13,000 combat vehicles, 4,500 tanks, 150 warships, and 1,600 combat aircraft from close to 30 nations, from one end of the gulf to the other, you have a different proposition when you go to war than you have right now in peacetime. We are exercising Canadian command and Canadian control over a designated force of three ships, 1,860 men and women, and 24 aircraft operating in a designated sector and carrying out predictable, designated tasks. Once you go to war with this great array of forces—and if you consider two sides you are looking at well over one million people, to say nothing of the highly technical force—the co-ordination effort becomes extraordinarily difficult. But there is one principle involved: there has to be somebody in charge. I am told—and I do not mean to be facetious—it is not conceivable at this point in time that a Canadian commander will be in charge of the gulf operation if we go to war with Iraq, not because we do not have the people who have the capability, intelligence or experience, but because it simply ain't going to work that way.

• (1750)

I have a question to which I want an answer from the Minister of National Defence. I have no doubt our troops will be commanded by Canadians. We have great leadership ability, and that is the way is has to be and that is the way it always has been. But I remind hon. members of Dieppe and other areas where Canadian troops commanded by Canadians were controlled by other forces and were led into disaster. That is my concern.

This House deserves to know the mechanics of what is involved in the operation of the Canadian forces however this vote goes when we take it. I want to know as a member of the House of Commons, as a Canadian, as a defence critic or in any capacity in which I stand here, the answers to those questions. Those are the questions to which the men and women in the Persian Gulf and Canadians want to know the answer. Until we get the answer to that question, I will not be satisfied. If the member needs any more clarification than that, I will get up and speak again.

On the second point, I think it is a fair question, but again I presume it is not a planted question because I do not believe the member opposite really wants to be overly partisan about it. But, Mr. Speaker, have a look at the United Nations resolutions. I have them all here. I will not go through them. I do not have time to do that. But this has been a model United Nations operation. We started off the sequence properly. We went through the resolutions identifying aggression, calling for compliance with non-military sanctions and compliance with military sanctions. No matter how we read the United Nations charter or no matter how we interpret it, does it say, that when all these measures fail will we then resort to the use of force?

There is something somewhere in the United Nations charter that I remember reading as a youngster which says that the purpose of the United Nations was to save succeeding generations from the scourge of war, and here we are now taking that charter and tipping it upside down.

The hon. member referred to 35 countries that agreed with those sanctions. There is no evidence that those 35 countries will follow the United States into action. I have no evidence. I have asked the question. The Leader of the Opposition asked that question today. How many members of the force now in the Persian Gulf will follow the United States into this action? Will Russia be there? Will France be there? Will Japan be there? What happens if Israel is attacked? Egypt has already said that it may not follow. I worry about that.

I see my time is up, Mr. Speaker. I do not accept the premise the hon. member gives me that all those who are now involved in the peacetime operation will follow the United States on a path to war like we seem to be doing right now.

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EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

AUTHORIZATION TO BROADCAST PROCEEDINGS OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I rise on a point of order. There have been discussions and I believe Your Honour will find consent for the following motion:

That this House authorize the broadcasting, pursuant to the principles and practices governing the broadcasting of the proceedings of the House of Commons, by the electronic media as represented through the House of Commons press gallery, of the meeting of the Standing Committee on External Affairs and International Trade, Thursday, January 17 at 3.30 p.m.; and that such broadcasting be at the discretion of the chairman of the committee and that the decorum of the meeting be preserved.

The Acting Speaker (Mr. DeBlois): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed consideration of the motion of Mr. Clark (Yellowhead) (p. 16984) and of the amendment of Mr. Chrétien (p. 16995).

The Acting Speaker (Mr. DeBlois): Resuming debate. I will now recognize the President of the Treasury Board and Minister of State (Finance).

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the subject before the House today is one that is extremely important, not only for the Middle East but for Canada and the whole world. Today there has been general recognition of the fact that the stakes are far too high and the potential consequences far too tragic for this debate to be coloured by political partisanship.

Although widely divergent views and philosophical principles are being expressed in this debate, which is perfectly normal, I hope we all agree on one thing, and that is that no one in this House is in favour of war. On opposition and government benches we find only peacemongers. What unites us as Canadians is our love of peace and order. In fact, peace and order are the cornerstones of our Constitution and our society.

To be a Canadian is to support peace and order. It is one of the glories of our history. It has been our goal within the family of nations and it continues to motivate our international initiatives. Today, Mr. Speaker, we are faced with a situation that may have tragic repercussions on a world scale.

Consider the facts. Iraq, a local, aggressive military power decides to invade its neighbour, Kuwait, a small country which, despite its rich oil reserves, is unable to defend itself. The events on August 2 were another unfortunate example of the law of the jungle.

According to numerous accounts by refugees and information from agencies such as Amnesty International, the Iraqi forces were not content to occupy their neighbour's territory. They have subjected it to the worst horrors of war: plunder, theft and rape. As we speak, those unfortunate men, women and children who were unable to leave Kuwait live under a reign of terror at the mercy of the Iraqi forces. We must not forget that it was Iraq that opted for war and aggression.

An hon. member: That's true!

Mr. Loiselle: Faced with these acts of violence, the international community cannot be satisfied with declarations made at the United Nations or elsewhere, no matter how strong they might be. We have to go beyond mere economic sanctions if they only make life more miserable for the Iraqis without changing the bad faith of the régime in Baghdad or putting an end to the occupation of Kuwait.

The impact of actions taken by the Iraqi government reaches far beyond the frontiers of Iraq and those of the Middle East. What are the countries most likely to be the victims of such violence? Unfortunately, Mr. Speaker, the weakest, the most destitute, and the most vulnerable in the world.

Soon enough, the situation in the Persian Gulf will have a destabilizing effect on the world economy, and especially on the economic well-being of Third World nations. More than ever they will have difficulties to find the funds required to build schools, develop their agricultural sector, improve their health care system, and upgrade their economic infrastructure.

• (1800)

In addition, an unstable world economy will make it even more difficult for these countries to lighten the weight of their international debt.

If we do not find a way to push back the Iraqi troops and restore Kuwait's territorial integrity, through diplomacy or otherwise, the weakest and most vulnerable countries stand to lose the most. Why? Because the international order and the collective security system exist precisely to protect the weakest, not the strongest. If we let Iraq annex Kuwait, who will prevent other aggressive powers which have territorial ambitions from following in the footsteps of Saddam Hussein?

Some people think that Canada should not get involved in the Persian Gulf issue. They disapproved of the role we played in this case within the Security Council of the United Nations. They voiced their opposition to our endorsement of the UN resolutions against Iraq. They were against sending armed forces to implement unanimous UN resolutions.

I do not question their sincerity or their goodwill, Mr. Speaker, but how can these people remain indifferent to the invasion and occupation of Kuwait? How can they stand the numerous instances of human rights abuse by Iraqi forces in Kuwait? Are they aware of the possible impact on the most vulnerable countries of the world if we do not make every attempt to enforce the international order?

In such a critical moment of the world history, we should not delude ourselves. Without the means or the will to enforce the international order, there will be no international order. The law of the strongest will prevail and, sadly, the Third World countries will be the first affected.

Canada has never buried its head in the sand in its international relations before and we have no intention of starting now.

Since the end of the Second World War, we have always been proud of our record and actions among the family of nations. Our governments, from whatever party, all gave themselves the mandate to put into place international structures in order to promote peace, order and international development. This government is no exception.

Canada put international interdependence to good use and always honoured its obligations at the international level. It is a matter of development. It is a matter of human rights. It is a matter of international trade. It is also a matter of peace versus war.

As full-fledged members of the international community, we cannot pretend that the gulf situation does not affect us. It does not concern only other countries. It concerns us as well.

Why has Canada become directly involved in the gulf crisis? The reasons are many and complex.

First, there is the matter of collective security that I mentioned. The invasion of Kuwait disrupted an already unstable area which is vital for our interests and the health of the global economy.

Unless the international community responds efficiently and fairly through the UN to restore the territorial integrity of Kuwait and the international order in that region, the very concept of collective security will be no more than an illusion with no bearing on reality. For the smallest countries of the world, the weakest and the most destitute, it would be a terrible and frightening future.

And so it is that countries like ours which play a leading role in international relations and which have the means to intervene, ought to assume their full responsibilities and do their share to restore peace and order.

Most important, our lofty notions and declarations must lead to concrete action, otherwise our collective security is little more than rhetoric and fiction.

Second, Mr. Speaker, the invasion of Kuwait by Iraq threatens the economic stability of the world as well as the economic and social well-being of a good many nations the world over.

Let us not forget that 40 per cent of the world's oil reserves are at stake. In addition, a sharp rise in oil prices would have a disastrous impact on inflation, economic growth, unemployment, international trade—in short, on—the world's economic stability and health. It stands to reason that Canada is not immune to the vagaries of the world economy.

As a matter of fact it has often been said that among industrialized nations Canada is probably the most dependent on international trade. Our standard of living, our jobs, and our health and welfare system are directly linked to our export performance. If our export markets decrease and if the world economy falters, thousands of our fellow Canadians will feel the direct and brutal impact.

Yet, what I have just described is only one aspect of the economic consequences of the gulf crisis. Not unlike in the case of collective security considerations, the weakest economies stand to lose the most in this crisis. Third World countries will be hard hit. As I pointed out earlier, because of the economic instability engendered by the crisis, these countries will experience ever more difficulties to escape from indebtedness, poverty, illness, and inadequate and underdeveloped infrastructures.

What about the countries of central and eastern Europe that have just been freed from the futile yoke of the Communist régime? They need us. They need our assistance and our support. A good many of these people are net importers of oil to heat their homes and to keep their industrial machinery going.

There is undoubtedly another and more important reason to take action, and it is our moral conscience. The ruthless invasion by a military and aggressive power of a weak and defenseless neighbour is inexcusable, unjustifiable, immoral and reprehensible. How could we remain passive and unconcerned in the presence of the systematic use of murder, theft, rape and plundering? We could not.

In my opinion, Mr. Speaker, we must stand up and be counted. That is exactly what the government did following the invasion of Kuwait. That is why the Prime Minister and the Secretary of State External Affairs worked so hard to ensure that the international community's response would be through the UN. That is why we have supported the UN's resolutions against Iraq. That is also the reason we joined the international forces in the Persian Gulf area. We have supported all negotiations and diplomatic initiatives in an effort to find a peaceful solution to this crisis. As a matter of fact, as the Prime Minister and the Secretary of State indicated today, we continue to support them.

For the past five months, the international community has offered the Iraqi government various peaceful ways out, each time to no avail. The Iraqi government seems to believe that the coalition is fragile and that our determination is weak.

The Iraqi government is wrong. It is unfortunate, if not outright tragic, that such a government be blinded by cynical and grandiose ambitions. Needless to say, it is not the first time in the history of the world that such plans have been so grossly miscalculated.

• (1810)

We want our allies, the weaker and more vulnerable countries of the world, and Iraq to know that Canada will not shy away from its international commitments. When the time comes to re-establish international peace and order, to ensure collective security and the well-being of the weakest and neediest, the international community can always count on Canada.

That is why I ask all my hon. colleagues, from both sides of the House, to go beyond party considerations and support the effort of our great country within the international coalition. The purpose is not only to help the Kuwaiti government and people, but to safeguard the international order, the only guarantee for the well-being and security of the weakest and most vulnerable countries in the world.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I first want to congratulate the minister on his speech, and then I would like to take this opportunity to ask two questions.

My first question is this: Is his government in favour of a peace conference on current problems in the Middle East? Second, if Canada gets involved in this war, does the government intend to cut services and programs here in Canada or does it intend to raise taxes to finance our contribution?

Mr. Loiselle: I want to thank the hon. member for Restigouche—Chaleur for his questions.

With regard the international conference, I believe Canada has already indicated during the past months and years that there is a series of problems in the Middle East that should be dealt with. I believe that our country's position in this respect is quite clear.

It would, however, be highly inappropriate to establish a direct link between such a conference and our response to Saddam Hussein. We would be telling Saddam Hussein: "Dear Mr. President of Iraq. Since you leave us no other alternative and since you have invaded this country and destroyed its population and tried to erase every trace of most of its citizens, thus eliminating a member State of the United Nations, as a reward, and to show that we understand your message, we are going to

change our attitude and call a series of conferences, as if the problems were elsewhere and not in Kuwait".

The crux of the problem is Kuwait. The country was invaded, and the president of Kuwait must withdraw. There are still a few hours left before the deadline set by the United Nations. After a series of resolutions, I hope that the last-ditch efforts that are being made, with our support, will make the president of Iraq review his position.

As for the cost of maintaining our presence in the gulf, I would say that at the present time, and I had a chance when the Estimates were tabled some time ago, to inform the House that our presence until March had been more or less financed by budgets within the Department of National Defence. There was a potential loss which had not been foreseen, since the crisis was unexpected, of abut $350 million, and at the time I explained how this money would be recovered. For the time being, those are the documents that contain the answer to the hon. member's question.

As for the future, I still hope we will quickly get a peaceful solution in this area. The world needs it, because in any case war is a poor solution. However, it may be the only one when one is dealing with people who make this kind of solution necessary. So I hope we will avoid this war as I said in my speech, and thus avoid the cost that will have an impact in various ways on all Canadians.

[*English*]

Mr. Ross Harvey (Edmonton East): Mr. Speaker, if I understood the translation of the hon. member's remarks during the course of his speech—and I apologize for my total lack of facility in French but if the hon. member will bear with me—he said, as translated, that Canada has been up to now passive and detached. He observed that the time was coming when we must intervene. The words "passive and detached" and "intervene" are direct quotes.

This seems to me to crystallize to some degree what has impressed me as a misunderstanding in the House to date in some quarters. Somehow there is the assumption that what is being carried out by Canada—and—other nations in the gulf at the moment is not the use of force.

It should be made very clear that Canada and the other nations active in the gulf at the moment are most definitely engaged in the use of force. What we have not yet resorted to is the use of murder, and what we are debating in the House today is whether or not Canada ought to participate in the use of murder. But let there be no mistake. To date, we have been engaged in the use of force.

The use of force to date in the opinion of many, including former directors of the CIA of the United States, has been effective in crippling Iraqi industrial capacity. In other words, the embargo has been effective, is being effective, and, in fact, is taking increasing effect within Iraq.

It seems to me that the hon. member must be able to say that sanctions are failing if, in humanity, he thereby proposes to proceed to say: "Thus, war is necessary."

I have a simple question. What evidence, if any, does the member have that he can present in the House that sanctions are failing?

Mr. Loiselle: Mr. Speaker, there is very simple evidence. For sanctions to function they would have to have an effect on Saddam Hussein and I would like the hon. gentleman to indicate to me any small indication that he would be prepared to move. The rest is, in many ways, irrelevant.

We also know that a lot of material is coming into Iraq through Iran. We know that sanctions were used in other countries, one being Rhodesia for a period of 10 years without giving much effect. At the time, the United Nations was weakened because of the cold war. This is something that has to be understood.

For the first time, we can give this international organization a chance to play the role it was built to play, now that it is not crippled any longer by the capacity of the veto by one or the other of the members. An international organization is now in a position to deal with such a problem. That is why the United Nations, through the Security Council, asked the members to adopt a resolution, after the one on the embargo, after coming to the conclusion that some other action was required. Why did it do it? Because it felt that it was not getting anywhere.

Here we are faced with the invasion of a small country by a big one. The world community unanimously is asking for action and we are saying: "Later." I tell the hon. gentleman that later will not change anything. We will still be faced with the same problem. If the sanctions were working, they would have an impact on Saddam Hussein. The working of the sanctions is where the proof lies, not in the fact that there are fewer fruits in the market, but the fact that the government of Iraq is taking notice. I have not seen anything to that effect.

When one sees the Secretary General of the United Nations being asked to wait for practically an hour to be treated with disdain, the representative of the world community, this is not an indication that one is dealing with somebody who wants to be reasonable. We know that if one is against crime, one should be against the crimes that have been committed over the last five months in that country. Do not forget them. This is why we cannot say to these people who are asking for help: "Just wait, we will make a few more speeches. Wait for a few more months." The crime has been committed. Five months have gone by and the time for action is getting closer. I hope we can avoid it, but I have my doubts.

• (1820)

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, it is an honour for me to participate in this debate on what, as my leader has indicated, is literally a question of life and death. This is very likely the most important debate that all of us who have the honour of serving as members of the House and elected representatives of the people of Canada will ever participate in.

[*Translation*]

I must emphasize the fact that no member of this House has debated the fundamental issue facing us now, whether or not Canada should take part in a war. The last time Canadian parliamentarians discussed this issue was in 1950, and it had to do with the Korean war.

[*English*]

That makes all the more grave our responsibility as members of the House to examine the evidence and to look with care at the arguments that are made with respect to the proposal of the government that would have the effect of plunging this nation into a catastrophic war.

It also makes more important the reality that on a question this fundamental which goes to the very soul of this nation, and indeed to each of us as elected members, that we should be free to vote with our conscience and listen to the arguments that are made, and, as my leader pointed has pointed out, to vote in a free vote on this fundamental question.

The issue in this debate is not whether we condemn as a country, as a Parliament, and as Canadian people, the invasion on August 2 by Iraq of Kuwait. Of course, we condemn that. The community of nations has condemned that. With one voice we join in that condemnation.

I have met personally with men and women who have been in Kuwait and who have seen the devastating impact of that invasion. I met with those who are hostages held in Kuwait and with Kuwaitis themselves. There is a very significant Palestinian community in Kuwait. I have spoken with our very courageous staff from the Canadian embassy in Kuwait. There are people such as Bill Bowden and the men and women who displayed enormous courage, as did the Canadian hostages, in assisting those who were held there.

I and my colleagues have read the report of Amnesty International documenting the horrors of this invasion and annexation. That is not the issue.

The issue is how we as a community of nations, in this first challenge since the end of the cold war, respond to that aggression.

Others have talked about previous wars. They have talked about the period leading up to World War II and the destruction of life and the enormous devastation in World War II. There was the dropping of the bombs on Hiroshima and Nagasaki. Some have argued and, indeed, the Secretary of State for External Affairs has argued, that in some way the lesson we should draw from World War II is that we should plunge ourselves into another war. Surely the lesson is precisely the opposite. In the time leading up to World War II, the community of nations did not in fact use alternatives to war. Quite the contrary, as my colleague from Trinity—Spadina who is a veteran of that war has pointed out. The community of nations engaged actively in commerce with Germany. Indeed, many of the countries that ultimately went to war were those whose companies were supplying the Germans with weapons.

The lesson we draw from that is, surely, that where there is an alternative of tough economic sanctions and of diplomacy, that in fact is the alternative that we should be supporting.

This is in fact the first test.

[*Translation*]

This is the first time since the end of the cold war in the world. How are we going to respond to the aggression of one country against another?

[*English*]

I would argue that it is madness for us in this first test collectively of the world's response to resort to a weapon, war, which has been demonstrated to be catastrophic. Is this really the best that we can do? Surely, we must look at the alternatives.

There was hope early on in this process. The United Nations was in fact working effectively. On the day following the invasion, a resolution was adopted overwhelmingly, unanimously, condemning the invasion. We had real hope that with the end of the cold war that the United Nations might in fact be an effective tool for international diplomacy. That hope will be tragically betrayed if this country and other members of the coalition plunge into a war.

It is interesting that the minister had talked about the fact that if we wait it may be difficult to hold the coalition together. As Admiral Crow, the former Chairman of the Joint Chiefs of Staff of the United States, has said, it is hard to understand why some consider our international alliance strong enough to conduct intense hostilities but too fragile to hold together while we attempt a peaceful solution. And, Mr. Speaker, he is right. He is right.

There is an alternative and my leader and my colleagues in the course of this debate have spelled out, and will spell out, that alternative. That alternative is collective firm action through sanctions and diplomatic action. The minister has said that we do not know if sanctions are working and that we do not know if sanctions will work.

I know that my colleagues are going to be elaborating on this point so I am not going to go on at any length, but I want to draw to the attention of the House a couple of statements that have been made on this subject by people who are in a position to know.

The Director of the CIA, William Webster, in his evidence to Congress stated: "The Baghdad regime is inexorably running out of the commodity on which its future depends, money. Oil revenues are the drip-feed of Baghdad's life support system. Without them the dictatorship will inevitably perish."

If that alternative is available, why plunge us into a war? Why plunge the world into a war whose consequences we know? We do not have to speculate on what they might be. We have been told and I will come to that in a few minutes.

We have heard from many others. We have heard once again from retired Admiral Crow who said that "if in fact the sanctions will work in 12 to 18 months instead of six months, the trade-off of avoiding war with its attendant sacrifices and uncertainties would, in my view, be worth it".

As New Democrats, we say that in our view it is worth it as well and we must avoid the madness of war.

Some hon. members: Hear, hear.

Mr. Robinson: I could quote others at some length.

[*Translation*]

The House is aware that there was a very important and excellent debate in the American Congress. There was a very close vote in the Senate, the other house, and many senators and members of the House of Representatives who took the floor spoke of the significant impact of the sanctions, an issue which my colleagues will deal with later on.

• (1830)

[*English*]

We have to ask ourselves: What is the role that Canada has played in this conflict? More important, in looking to the future, what is the role that Canada even at this late date should be playing in resolving this conflict in a peaceful manner?

I would argue that each step of the way, rather than Canada playing a role within the context of the United Nations, seeking to speak with an independent voice, that we have been driven by a policy which George Bush has dictated to the Prime Minister of this country.

The evidence of that is very clear from the beginning. In fact our initial military response came immediately following a meeting between the Prime Minister and George Bush and before the United Nations had authorized the use of force to implement sanctions. It was to implement sanctions. We supported that decision of the United Nations, but it is important to underline the fact that our Conservative government responded not to the United Nations, but to George Bush. That is a betrayal of the independent tradition of this country of peacemaking.

I think we have to ask ourselves very clearly as well what was the effect of the actions led by the United States and the Security Council. We have to remember that later our Secretary of State for External Affairs and, indeed, the Prime Minister made it very clear that they really did not care whether the United Nations in fact was prepared to go to war if sanctions broke down or beforehand, as we are seeing now.

No, our Secretary of State for External Affairs said: "The United Nations might not work. There might be a veto. China might say no. If there is a veto, we in Canada are prepared to discard the United Nations and we are prepared to take unilateral action." I do not accept the fact that this government is now wrapping itself in the flag of the United Nations because it happens to be convenient for them to do so as it is for the United States.

This raises very grave questions about the future role of the United Nations. Rather, our actions have been from the beginning driven by a desire to do what George Bush has told this country to do.

I mentioned China. I want to say just briefly that, again, as a community of nations we have to ask ourselves what price has been paid to cobble together this coalition that authorized resolution 678, which was such a dangerous and open-ended resolution and does not talk about United Nations command. In fact it flies in the face of the fundamental principles of the Charter of Rights itself. How quickly is the United States forgetting those horrifying events in Tiananmen Square on June 4, 1989 in its attempt to build this coalition with China.

I could look at other nations and ask the same question. Others will do that, I am sure.

A question again that we as elected representatives of the people must ask ourselves surely is: What would this war be all about? What would be the objective of going to war at this point? Would it be to restore democracy to Kuwait, to Saudi Arabia, and other countries in the region? No, of course not. Kuwait is far from a democracy.

As the Secretary of State for External Affairs said last night, it is a semi-feudal society. We are not talking here about restoring democracy to countries which are sorely in need of democracy and respect for human rights.

Are we talking about the United States demonstrating respect for international law and being opposed to aggression? I do not think they have to look very far at the history of the United States in the world community to recognize that it has, far too frequently, displayed total contempt for international law, whether it be in East Timor with a genocide of over 200,000 people when Indonesia invaded, whether it be its active support for its murderous regimes in Chile or in El Salvador today, pumping in over $1 million a day, or whether it be its silence in the face of other invasions and the question of Tibet and Cyprus, and its involvement, as my colleague from Vancouver East has said, in Grenada and Panama. I think it is pretty clear that the United States has a rather selective view and a selective respect for international law which is demonstrated very well in its contempt for resolutions dealing with the occupied territories.

I want to note as well, and I think it is important in examining the history of this conflict, to note the position that the United States took, not in another country in another jurisdiction, but with Iraq one week before Iraq invaded Kuwait. There was a meeting between Saddam Hussein and the United States ambassador to Iraq, April Glaspie on July 25, one week before Iraq invaded Kuwait. We have a transcript of the meeting that took place between the United States ambassador and Saddam Hussein. This is what the United States ambassador said to Saddam Hussein during the course of that conversation one week before the invasion.

In talking about the effects of the price of oil dropping, she said:

> I think I understand this. I have lived here for years. I admire your extraordinary efforts to rebuild your country. I know you need funds. We understand that and our opinion is that you should have the opportunity to rebuild your country.

Then the ambassador of the United States said this:

> But we have no opinion on the Arab–Arab conflicts, like your border disagreement with Kuwait.
>
> I was in the American embassy in Kuwait during the late '60s. The instruction we had during this period was that we should express no opinion on this issue and that the issue is not associated with America. James Baker has directed our official spokesman to emphasize this instruction.

That was the signal that the Government of the United States of America was sending out one week before this invasion. The day before the invasion, the American administration said no to Congress in its request for economic sanctions against Iraq. We have to ask ourselves, what would this destructive war really be all about? It would not be to support the United Nations because there are alternatives to war. Rather, in a moment of candour, the President of the United States said this would be a war to preserve the American way of life, the consumption of oil. Well, we in the New Democratic Party believe that it would be profoundly wrong for Canada to participate in a war to support the American way of life and not to give sanctions time to work.

I want to point out as well that during the course of the debate in the American Congress, there was a very narrow mandate given, particularly in the Senate of the United States. A vote of 53 to 47, I believe. In this House I would argue that even if there is a vote to support Canada's involvement in military action, it is not good enough to send Canadian men and women into combat after a very narrow vote in a deeply divided House. To send men and women into combat in those circumstances was wrong in the United States and it would be wrong in Canada as well. It is particularly wrong and destructive when there is an alternative, particularly as my leader has pointed out.

I want to take this opportunity on behalf, not of just my colleagues in the House, but of all Canadians, to pay tribute to the role that the Leader of the New Democratic Party has played in attempting to find a peaceful solution to this conflict by going to Washington to meet with democratic leaders and in travelling across this land. I think all Canadians want to express their appreciation and respect for the leadership that she has shown in the search for peace.

I want to talk briefly about the alternatives that we have put forward and in particular that my leader has put forward, and then to make a couple of other points. I know that my time is running out. I believe there is some understanding with respect to an extension of that time and I will try to be brief.

The leader of my party and all New Democrats in the caucus have put forward an important alternative to Canada's participation in war. That alternative involves the continued use and indeed the tightening of economic sanctions, sanctions which are already costing Saddam Hussein over $2 billion a month. I say to anyone who suggests that somehow he is getting off scot-free, and that he is not paying a price, the price that is being paid by Iraq for its aggression, is devastating to the Iraqi economy. Let us continue that. Let us strengthen that.

• (1840)

But let us not plunge the region into a war which would see the entire world paying a devastating price. Let us have more diplomatic initiatives. The French initiative is a very important one. I received a note just a few minutes ago that tragically this initiative has now been withdrawn at the Security Council, that in fact the Iraqis have not responded positively to the initiative, and that the British initiative has subsequently been withdrawn as well.

Obviously, we are deeply disappointed in that. But surely that is not an argument for going to war. It is an argument for trying harder for peace.

My leader has pointed out the importance of an international conference on the Middle East. Some say: "Well, we cannot have linkage". If an international conference to deal with the tragic plight of the Palestinians, to deal with Lebanon and with other concerns, and to ensure that Israel respects resolutions 242 and 338 was right before August 2, as it was, surely to God it is right today as well. If that can help to resolve this conflict, we should be doing everything we can to promote and encourage that conference. Indeed, the United Nations itself has called for the conference to take place.

[*Translation*]

The United Nations said that at an appropriate time, after the unconditional withdrawal of Iraq from Kuwait, there will be a conference on the Middle East. We support that.

[*English*]

I also want to take this opportunity to express on behalf of my colleagues our condolences to the families of those senior leaders of the Palestine Liberation Organization, Saleh Khalef and Hayel Abdel-Hamid, who were murdered yesterday. The cycle of violence continues in that region. All of us are devastated by that and certainly we would want to convey our sympathy and our regret to their families and as well to recognize—I think it is important to do this—that the effect of Iraq's invasion of Kuwait tragically once again is not to help the Palestinians, despite its protestation to the contrary.

The plight of the Palestinians in side and outside Kuwait, Kuwait, particularly in the occupied territories, is far worse after that invasion. That reinforces the importance of coming to an equitable solution to that tragic conflict.

The final point that my leader made in terms of our alternative to war is looking at collective means of resolving this dispute that falls short of war, for example, international arbitration through international agencies such as the International Court of Justice over questions of borders. Yes, there are disputes about borders, international arbitration, and Arab-Arab discussion and agreement over oil disputes. Yes, there were legitimate concerns about over production and under pricing, not just by Iraq and Kuwait, but also by the United Arab Emirates.

Certainly as a community of nations we must recognize the mad arms trade which fed this conflict. Remember that the Soviet Union, France, and other western countries were the major suppliers of arms to Iraq in its war with Iran and that Germany and German companies were the major suppliers of chemicals for chemical warfare. That arms trade, which has led to the possibility of chemical and biological warfare and of course the risk of nuclear weapons, must be confronted as well in that region if there is to be any lasting peace.

The people of Canada are deeply concerned about the prospects of this nation being drawn into a war. There have been demonstrations, rallies, letters, phone calls and telegrams. Particularly in extraordinary numbers are the young people at the rallies which I had the privilege of attending in Vancouver and Montreal. My colleagues spoke in other locations such as the hon. member for Victoria in Ottawa and others across the land. We met as well with representatives of peace groups, a wide cross-section of peace groups in Canada, including the Canadian Peace Alliance, the Winnipeg Co-ordinating Committee for Disarmament—

[*Translation*]

—artists for peace, people who belong to the Échec à la guerre group and who led the fight in Quebec against the folly of war—

[*English*]

—the Anti-Arms Race in British Columbia, Greenpeace, World Federalists, the Mennonite Central Committee, Project Ploughshares, Oxfam, the United Nations Association, the Canadian Labour Congress, Canadian Physicians for the Prevention of Nuclear War. All these groups spoke with one voice to us and through us to the government of this country. These groups are saying no to war, that we must give peace a chance. That is our plea today.

War is wrong from every possible perspective. From the human perspective, there is the risk of a loss of literally hundreds of thousands of innocent lives. The Canadian Physicians for the Prevention of Nuclear War have documented that very eloquently. My colleagues will be speaking on the possibility of environmental disaster, particularly the member for Saanich—Gulf Islands and Skeena. There will be devastation of the environment and economic destruction of many parts of the world. The price of oil increasing dramatically will hit hardest the poorest countries, including those countries in eastern Europe that are struggling to rebuild their economies.

The toll on refugees would be incalculable. We know already that if the Red Sea is blocked, the consequences in getting aid to the Horn of Africa are devastating. We cannot take that risk. That could lead to impoverishment and famine for millions of people.

There are the geopolitical consequences of a war. What would the region look like after Iraq has been bombed into submission? Who would be the key players in the region? Iran? Syria? Imagine the consequences of a region dominated by those countries with the rise in fundamentalism in those countries.

Another consequence, and one that we must not forget is the fact that Canadians, particularly those of Iraqi and Arab origin, are already facing a sense of insecurity. We must ask what is the role of CSIS and other government agencies in contributing to this atmosphere of insecurity. We must not repeat the tragic mistakes that we made during and after World War II with Japanese Canadians, Italian Canadians, Ukrainian Canadians, and others.

I believe that it would be profoundly wrong for Canada to participate in this war. I believe deeply that surely to God we in the latter part of the 20th century must have a better way of resolving conflicts between nations and resorting to war.

Therefore I feel that Canada in the event of an armed conflict should not be drawn into that war. We are there to support sanctions. We are there in that important role. I want to pay tribute to the men and women in the Armed Forces who have done that and done that well. That is not the issue.

The fact is that if the region is plunged into a war that embargo would then become a blockade and, in international law, an act of war. Surely, in the event that there is an armed attack, Canada's role should be one of peacekeeping, a humanitarian role. There is a variety of ways we can achieve that.

• (1850)

If there is to be war in the world, in Canada at this time, let it not be a war with catastrophic consequences, not just for the Middle East but for the entire globe. Let it be a war on poverty, on homelessness, on environmental destruction, on AIDS, on racism, and on sexism. Let it be a war on the obscenity of over a billion children on this planet living in poverty. Let that be the war that we collectively wage on behalf of the people of this planet.

Some hon. members: Hear, hear.

Mr. Robinson: In closing, let me be very clear. We support the United Nations. We have always supported a strong and effective United Nations.

[*Translation*]

Ever since it was founded and even before, the New Democratic Party has always endorsed the principles of the United Nations. But, the best way to endorse the principles of the United Nations charter is of course to advocate a peaceful settlement, not war.

[*English*]

I want to close on a personal note. I had hoped that arising from this conflict, and from the end of the cold war, there might be a new vision, and a new role for the United Nations.

The last time that the United States was involved in a war was the war in Vietnam. It took a toll of over 55,000 lives and tens of thousands more scarred, injured. For what?

My family we lived in the United States during that war. My mother and father left the United States at great personal cost because they did not want to support an immoral war. They did not want their son to be drafted to fight in that immoral war. I fervently hope that Canada, 25 years later, will not plunge into another equally or even more destructive war. As Canadians across this country have pleaded with this government, let us give peace a chance.

Some hon. members: Hear, hear.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I congratulate the critic from the New Democratic Party on that emotional and very clear presentation of the position of his party. He reinforced something that the Leader of the Liberal Party said in his speech, that our troops are there now to enforce the embargo, to enforce the sanctions. "But once war is declared that embargo becomes a blockade", said our leader, and when he said that some members on the government side laughed.

I am wondering if the critic from the New Democratic Party whose profession is law, I would indicate on what basis he makes that definition of an embargo becoming a blockade and once it becomes a blockade our troops being in a state of war. Can he clarify to the House where he gets this definition of an embargo becoming a blockade and so on? I think this might educate some of the members on the other side.

Mr. Robinson: Madam Speaker, I want to emphasize first that this debate is not about legal niceties. This debate is about the role that Canada might be playing in a situation of war.

On the precise question, the issue raised by my colleague, we can look at any text on international law—whether it be Dicey or any other text of international law—and in the event of armed conflict breaking out, an embargo becomes in law a blockade and a blockade in international law is construed as an act of war.

More important, we have to look at the reality of the situation. If in fact the community of nations, or at least the coalition or members of the coalition, decide to abandon sanctions and to launch an attack, an attack which would involve aerial assault and land forces, quite clearly the strategy of sanctions would have been overtaken. Given the fact that Canada's role is there to enforce sanctions, surely we would recognize that we would not want to be part of that kind of military offensive in those circumstances. I believe that is the position the people of Canada would take, that we should be enforcing sanctions and not be part of a military offensive.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I would like to congratulate my colleague and state how strongly we support the views that he presenting and those of our leader earlier today.

I would like to raise one point that has been niggling at me since the Prime Minister spoke this afternoon. If I heard him correctly, he used the Korean war as an example of a justification for another UN–U.S. armed intervention. I know he will recall that in that instance it was a UN initiative or a U.S. cloaked in the UN initiative. Canada participated as part of Commonwealth troops. The North Koreans succeeded in pushing the exceedingly well equipped U.S. forces, to the middle of Korea, which is essentially where it all began in the first place.

During that period many thousands of people were killed. There were massive numbers of refugees. I saw many people in hospital including Canadians who were injured. There were many orphans. A whole generation was affected. The war ended up in a complete no–win situation, which I think is where all wars end up. Korea was child's play compared to the gulf war with regard to chemical and nuclear threat.

Would the member like to comment on the fact that war is really a no–win situation from anyone's point of view and that there is absolutely no justification for the killing of men and women in the armed forces and for the many civilians who would be affected?

Mr. Robinson: Madam Speaker, before responding to the specific question, I would like to pay tribute to the hon. member for Vancouver East and point out that as a woman she in many ways has represented very eloquently and forcefully the position of women across this country who according to the opinion polls in significantly greater numbers than men, are recognizing the madness of war. It is an interesting point that that is the case. I hope that we will hear the voices of many, if not all, women in this House before this debate is concluded.

Just briefly, I would like to agree with the point the hon. member is making. Korea is surely not an example of the success of the United Nations. Yes, there was a UN command, but the Soviet Union was not even present at the Security Council when the decision was made. It was outside the Security Council. Instead of looking backward at what has happened in the past—yes, we must draw the lessons from the past—surely we should be looking forward.

A challenge that faces all of us is to build a new collective security framework through the United Nations and through regional bodies such as the CSCE that makes the possibility of war unthinkable. My personal view is that that is exactly the situation: war would be unthinkable in the gulf and it should be unthinkable in any arena. Surely we have moved beyond the madness of war. As a community of nations through the United Nations, we must be able to come up with other alternatives including sanctions that recognize that no one ever wins a war.

• (1900)

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, briefly I would like to commend my colleague, the member for Burnaby—Kingsway, on his very good outline of our position against the war.

I would like to invite him to comment further on the question of sanctions, which is the principle means that has been used until now to try to bring about a negotiated solution. Are there ways in which the member suggests the sanctions against Kuwait could be strengthened?

It has been suggested by the Secretary of State for External Affairs that the sanctions may be effective against Iraqi people but not against the Iraqi ruler and military. Can the member comment on whether it is possible for even the most blood–thirsty government to continue military action, which he is doing now, with absolutely no support from his people?

[*Translation*]

Mr. Robinson: Madam Speaker, I still believe that the economic sanctions already in place, can work without being tightened, and that their impact can even increase with time. Madam Speaker, we have evidence—

Mrs. Gibeau: What evidence?

Mr. Robinson: If it was not so, we could still tighten the sanctions. There are many ways to do so. But let's not forget, Madam Speaker, that economic sanctions have worked in other conflicts, such as in Rhodesia where they had quite an impact. They also worked in Nepal and in South Africa. However, to give up economic sanctions in favour of a catastrophic war would be pure madness.

[*English*]

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Madam Speaker, today this House is debating the grave Persian Gulf issue for the third time in three months. The stakes are much higher than they were on October 23 and on November 29 because today, January 15, 1991 the world faces the passing of a critical, political and military deadline.

The shameful aggression by Saddam Hussein and the Iraqi army in a savage attack on their Arab neighbour, Kuwait, has been universally deplored and condemned by the world's nations in an extraordinary display of united condemnation.

Kuwait was ruthlessly attacked, conquered, and annexed by Iraq, a country with the fourth-largest army in the world. Saddam Hussein has been neither repentant nor apologetic. Rather, he has made it clear that Kuwait is only one of a series of conquests yet to come, despite the fact that most of its neighbours are, like Kuwait, full-fledged sovereign members of the United Nations.

All Canadians are pondering the enormous risks inherent in the decision we will take here this week. The consequences of war are staggering and abhorrent. It is precisely for this reason that I welcome this opportunity to express my views in this historic debate.

For a Minister of Veterans Affairs, the prospect of war in the Persian Gulf is especially painful, as the brutal aftermath of any military conflict is an every day reality in my department. On a daily basis, we deal with men who were blinded during the trench warfare of World War I. Chemical warfare is nothing new to them. We look after men and women wounded in mind, body and spirit who will spend the rest of their days in rehabilitation centres, hospitals, nursing homes or psychiatric wards. For that reason, Mr. Speaker, no Minister of Veterans Affairs could regard another war with anything but dread and apprehension.

In the constituency I serve our war veterans would be the last to treat our country's entry into military conflict lightly. They went to war and saw the blood, the suffering, the destruction first-hand and the deaths.

It is for these profound reasons that this government has pursued consistently and diligently a peaceful resolution to this crisis. The legacy of our remaining veterans and of their comrades buried in foreign soil is still with us. The memory of their sacrifices has ensured that Canada seek all legitimate avenues for peace. This we have done and will continue to do.

Remaining true to their memory, however, demands that we respect why our veterans fought for Canada so bravely—to preserve freedom, to establish a new world order, and to fight naked, barbaric aggression. To adopt a posture of peace at all costs would violate their memory and invalidate their sacrifices. This we will not do.

Ironically, most Canadians living today never experienced the hardships of war. Over two-thirds of Canadians were not born until after World War II. Over 55 per cent of Canadians were born after the Korean war.

Many of our veterans, indeed the Canadian populace as a whole, know that something extremely important is at stake in the gulf, and that is, how far should the world go in thwarting naked and brutal aggression by the bullies of the world.

There are some stark lessons to be learned by an examination of history. That is clearly shown in the failure of the League of Nations between the two world wars. The lesson learned was that appeasement and a reluctance to deal with aggression in the past ended with abysmal failure and may have cost more lives in the long run.

Therefore, after the Second World War the free world resolved to establish a new organization, the United Nations, which would avoid the errors and the weaknesses of the League of Nations. Canada was a founding member of the United Nations and has always been an enthusiastic supporter member-nation.

Today, in fact, we are a member of the Security Council of that organization. Standing 31st in population among member nations, Canada is fourth in financial contributions to the United Nations' efforts. Canada's support of the United Nations has not stopped there. We proved it in Korea 40 years ago with 26,000 volunteers. We have always been at the forefront of United Nations' efforts at peacekeeping. All Canadians are proud of the fact that Canadian troops won the Nobel Prize for Peace for our efforts and our contributions over the last 45 years.

We are being called upon to support the United Nations by supporting a simple, straightforward resolution, namely, "that this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait".

Five and a half months have passed since Iraq attacked Kuwait. Negotiations, talks, peace missions, diplomacy, economic sanctions, embargoes, and, above all, enduring patience has failed to persuade Saddam Hussein to leave the conquered territory.

The leadership of Iraq has been consistently intransigent and obstinate, despite the fact that most nations of the world are united in condemning their brutal aggression against another sovereign United Nations member-nation.

Twelve resolutions of the United Nations Security Council—several of them drafted and co-sponsored by Canada—have been totally ignored by Iraq. Over 30 nations have provided troops and materiel to enforce these resolutions.

• (1910)

Diplomatic efforts have thus far been unsuccessful and economic sanctions have been endured simply because Hussein has an uncanny ability to pass on their effects to the Iraqi poor, rather than to the political and military leadership of that country.

If a bully nation invades and annexes another sovereign nation and the free world ignores it, then world peace and world order is clearly in peril. Freedom, independence, peace and order become hollow and meaningless words.

Canada and other peaceful nations have much at stake here. The question is, simply put, will world order be sacrificed for political expediency, appeasement and lack of resolve when the going gets tough? I for one do not think it should. I believe the efforts of the United Nations and the 30 nation coalition deserve our unqualified support and the support of the Canadian people.

Canadians are a peace-loving people, respected world-wide simply because we have never been seen as a threat to other nations. Victor Suthren, Director of the Canadian War Museum, aptly described the Canadian psyche when he said:

> Canadians have fought as troops of France, of Britain, and finally, of their own nation. They have fought with a ferocious capability that has given them, a markedly unmilitaristic people, a military reputation far more respected than those of many nations who play more dramatically at the parade-ground chauvinism and *machismo* of overt militarism.
>
> Canadians maintain dedicated armed forces of minimal size, and get on with the peace, order and good government of a highly civilized and self-disciplined people. Forced to take up arms, they have done so to put an end to war or fighting. Having matched and beaten armed bullies, they put weapons away with little ostentatious crowing and get on with the nation's life. They do not, ever, (Canadians) play at war, nor do they see the gun as a solution to social injustice or personal failure—

Victor Suthren goes on to say that Canadians are and I quote:

> Men and women of a peaceable nature, able to live without war precisely because they can be so fearfully good at it without a shred of romance.

No rational person wants to see war unless every possible effort to preserve peace has been exhausted. At this crucial time in our history it would appear that, barring a miracle, the moment of truth has arrived. This is truly an hour of anxiety for our country and certainly an hour of destiny that we as legislators cannot escape.

It is for the reasons I have stated that I support our government and I support the United Nations. Having little choice but to vote for what could lead to war, I continue to pray for peace.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I am pleased that the Minister of Veterans Affairs has taken part in this debate.

Like him, I have talked to many veterans in my riding of Parkdale—High Park. Most of the ones I spoke to told me to come to Ottawa today to take part in this debate, but to fight for avoiding participating in any military action.

The advice they are giving me is that the sanctions should be given more time to work, that we should explore further diplomatic channels, but at all costs avoid going to war, I think for the very reasons the minister mentioned. They were in war. They shed blood. They lost their colleagues, so they know what war is all about.

The minister's government deals and rules a lot and makes many decisions based on polls. I would like to ask the minister whether his department or he himself has taken polls across Canada among our veterans, and what percentage urged the government to allow sanctions more time to work and other diplomacy, as opposed to military action.

There is a second question I would like to pose to him. He heard our leader make an amendment, to the government motion, because clearly as the resolution states it does commit our troops to an offensive role as of midnight tonight, January 15.

I am wondering if he could give reasons whether he will support the official opposition amendment. If not, would he explain why he could not support the amendment? With the amendment we might be able to support the government motion but, if the government refuses to accept our amendment, there is no way that our party can give the government *carte blanche* to commit our troops as of midnight tonight to be in an offensive mode versus the defensive mode they are in now.

Mr. Merrithew: Madam Speaker, on the first question the hon. member asked regarding whether or not we have taken polls, I should point out that this government—and I am not trying to be light-hearted here—certainly does not govern by polls. Perhaps we should, but we do not do that.

The important thing here is that I have talked to the leadership of the veterans groups. In fact I talked to them even as late as today. While I cannot speak for every single member of those groups, they do know the importance of standing the ground, standing on principle, and standing up for what they fought for and what their comrades died for, that is world order and a cessation of brutal aggression anywhere it happens around the world. They are our strongest defenders of peace and of world order. They support the United Nations and they support generally the United Nations efforts, and they have indicated that to our government in writing.

I would like to say, although I am not going to quote exactly the wording, that they are the most thoughtful people in the world when it comes to war because they know the brutality. They have seen it. They have felt it. They have heard it. They have tasted it. Therefore I treat their views with a great deal of respect.

The hon. member's second question, was do we support his leader's amendment as proposed earlier today in the debate? Obviously midnight tonight—and I made this very clear—has been a deadline that has been known for a long period of time. I have never treated lightly the importance of this deadline to the Canadian people or to the 30-country coalition that has staked a great deal on resolution 678 and indeed the other 11 resolutions of the Security Council of the United Nations.

I support personally what the United Nations is doing. Without it, where will this all end? Do we reward aggression? Do we say to Saddam Hussein: "You have done well; continue and go on"? Or, do we do something and provide a deadline and seek the support of other member nations around the world, which has been done, and say: "Look, enough is enough. This is the time and this must stop, and here is what must happen"? It is a very simple thing. They must clear out of the country they have conquered, the country they have annexed.

I think that is a fair thing. I support that view and I support the United Nations.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, I have just a few points. I would like to congratulate the minister on his speech. Coming from my home province, I am very proud to have him here as a minister speaking on this very serious issue. Although we belong to different parties and we have a different point of view, I think it is important that we all have a chance to state our point of view.

• (1920)

I would like to set the record straight because it is important that we let people know where all parties and all MPs stand in regard to the United Nations resolution. There seems to be a misunderstanding out there as to our position with regard to the UN. In closing the minister mentioned that he supports the United Nations. I have to state that the Liberal Party of Canada also supports the United Nations.

Let us look at the events. When Iraq invaded Kuwait we supported the resolution in the House of Commons on October 23, 1990 which was in support of UN Security Council resolutions 660 and 662. When it came time for mandatory sanctions under UN resolutions 661 and 670, we supported them as well. When it came to using military force to enforce those sanctions, we supported that. But there comes a point in time when we have to consider whether we have gone far enough, and that is where we differ.

I think that all members of the House, regardless of what party we belong to and what part of the country we come from, have the same object in mind, that is to force Saddam Hussein to withdraw from Kuwait. The difference of opinion is in how to do that.

I want to make sure that the minister knows well that we have the same intention that he has, but we have a different means of achieving it. We feel that sanctions should have been given more of a chance to work. Statements in the fall by the President of the United States, by the Secretary of State of the United States, and by the CIA commissioner indicated that the sanctions were working. Experts would agree that it takes roughly 12 months for those sanctions to work. We feel that it is very important that we give those sanctions time to work. I felt it very important that I put those comments on record this evening.

I would also like to say—and I am sure the minister would agree—that we support the military efforts over there, in the sense that our military has been very professional in the way it has carried out its functions in the gulf. I would like to applaud our military experts for the way they have carried out their duties in the second major crisis in the last 12 months. They are very professional and they have proven it again. Let us hope that we can avoid this war.

Mr. Merrithew: Madam Speaker, I appreciate the obvious sincerity of the hon. member for Restigouche—Chaleur. I have known him for some time and I know that he speaks with deep sincerity on important issues.

The bottom line here is the fact that we have had naked aggression by one country over a neighbouring country. These people have used force, killed, pillaged, raped, driven out half the country's population, and annexed that country as a province of their own. That is the bottom line. Something had to be done. Somebody has to stand on principle. The United Nations and the 30-member coalition has done that, and they have given a deadline.

I know there is a good deal of argument—and I have heard a great deal about it in debate today—indicating that sanctions have not been given enough time. The fact of the matter is there is no proof and, according to the Secretary of State for External Affairs, he has received no proof that the sanctions or the embargo have really worked.

Proof positive of that is the fact that Saddam Hussein has not changed his mind. He is not the least bit sorry. He is not going to leave the country he has conquered. What will change his mind is not the sanctions. Some countries have had sanctions applied to them for as many as 10 years. How much time are we going to give them to dig in deeper, to build more defences, to develop more arms and perhaps even nuclear weapons to kill our troops when the United Nations finally would decide to take action? There has to be a time limit. That time limit has been given. It has been five and a half months since that aggression, and I think it is time that he did that. I do not see any proof that Saddam Hussein or the Iraqi people are repentant or willing to get out. They are just laughing with disdain and impunity at the United Nations and indeed the whole world. He does not care what will happen.

The two major negatives in allowing him more time are the fact that it will allow more time for building defences and, the sheer principle that a deadline was given five and a half months after naked aggression and the conquering of another country. He has had lots of time to show some movement, some willingness to co-operate with what the world agrees is a wrongdoing by his country and by his people.

What happens if we keep backing off and rewarding Saddam Hussein by saying: "This is all right. Deadlines do not matter. Don't pay attention to the United Nations. Don't pay attention. It doesn't matter"? I think sometime free and thinking people have to stand their ground, have to stand on principle, have to take a stand on things like this. Today is that day, and I support that.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Madam Speaker, the crisis in the Persian Gulf is attracting universal attention. It is almost impossible to go anywhere without hearing about the crisis and the threat of war.

As I was listening to the Minister, I heard him say near the end of his remarks that there was no evidence the sanctions were working. I just cannot understand that after I have heard the greatest world experts agree that the sanctions against Iraq are working. I could quote figures provided to the u.s. Congress by Senator Mitchell, a man held in high esteem there. Tennessee Senator Gore, Senator Edward Kennedy, and even the leaders of the CIA have clearly indicated that the sanctions against Iraq are really working.

In spite of that, there are people who still claim that these sanctions will not bring Iraq to its knees. Yet, our own colleagues in the House, more specifically Mr. Axworthy, the hon members for Winnipeg South Centre, Burnaby—Kingsway and Fundy Royal, and Mr. Corbett, have seen with their own eyes that the sanctions are in the process of beating Iraq as an aggressor.

It is a fact that the whole history of the Middle East did not begin on August 2. It was following the invasion of Kuwait by Iraq that public opinion suddenly became aware more than ever of the Middle East. This problem goes back a hundred years and represents a hundred years of injustice and exploitation of the people because there is oil underground. There are countries of the world which are determined to take over this wealth, even if it is not situated in their own country. But is it surprising that the Middle East crisis came finally to a head?

In the u.s. Congress, various senators have given concrete evidence that the sanctions were working. Of course, they are party to privileged information. 90 per cent of all Iraq imports have stopped. Even the Iraqi currency paper is printed in England. Does this give you an idea just how much Iraq is on its knees? It is a country without an industrial infrastructure. It went overnight from camels to Cadillacs. It has no infrastructure. It depends on world imports. Together with other countries, Canada has managed to maintain an embargo.

• (1930)

Since the November 8 elections in the Congress however, we have been hearing a totally different story: we should be taking military measures and risk causing a war which would have a very uncertain outcome at the price of a tremendous loss of innocent lives. What for, when we can count on the support of other nations in the application of sanctions? That is a fact. So, it is no use trying to make us believe that sanctions do not work. It just is not true! The record will show that, if there is a war, it will be a point against the countries that started it and that is absolutely not necessary.

[*English*]

The longer sanctions are maintained, the weaker the aggressor, Iraq, becomes. The aggressor is weakening and what can be more desirable under the circumstances? We do not fight and they get weaker.

Logically, Iraq cannot continue for an indefinite period of time. The aggressor, Saddam Hussein, has a short countdown against him that is in our favour. One does not have to be a military strategist to understand the precarious situation that Iraq is facing internally.

In listening to the American senators in Congress, it became obvious that no one could criticize sanctions. No one could say they were not effective because they know they are effective. They work. Iraqis have no industrial infrastructure and they have no industry to maintain their military force that is needed. The Iraqis are completely dependent on imports and, as I mentioned before, their paper currency is actually printed in England. Can you imagine?

Canada's role in this whole affair has been diminished. We are not a military force nor a deterrent, for that matter, but in the past we never felt diminished because of our reputation as a peacekeeper. We were trusted and we had an independent foreign policy. Other countries could look to Canada as a sort of moral authority, requesting our support in the United Nations. What has

happened in such a few short months? How can we be part and parcel of the American military camp?

We belong with the community of nations, under the flag and auspices of the United Nations, resolutely determined to use all efforts to prevent war, to maintain international law, to use sanctions, embargoes, diplomacy, pressure from all quarters to bring sanity to the surface, to wear down the aggressor, demoralize the aggressor, and to deprive the aggressor of any means to continue or maintain any course of aggression. That is where we belong. That is where all peaceful nations belong.

The crisis in the Middle East is not unexpected. There have been years of turmoil and injustice, and God knows there has been injustice. As my colleague from Western Arctic mentioned, if there were to be a conflict or war in the Middle East, we would see the emergence of other Saddam Husseins to bring vengeance on what has happened. That is obvious.

Consider the injustice and the struggle to control that oil resource in the Middle East. There was the setting up of arbitrary borders in the past, the maintaining of undemocratic regimes of kings, princes, and emirs who monpolized the wealth for their own private benefit, much of which finds its way into the American treasury in the form of bonds, European banks, and investments in other countries—but not for their own people. We are supporting leaders like that.

Canada now faces a crossroads in our history. Are we now part of those nations that risk conflict abroad, citing national interests as a reason? We do not belong in that group. We see ourselves as peacemakers and we are not powder monkeys.

[*Translation*]

History taught us that when there is a conflict, the threat of war is not a solution. As some of my colleagues pointed out, in a war there are no winners, only losers. Some lose less than others, but there are only losers. In this Middle East conflict, I hope everybody will come back to their senses once they realize that sanctions are the best way to put an end to an agression.

For once in the history of humanity, we have the chance to prove that sanctions are effective. That is the biggest step forward we can make in our civilization, to prove once and for all that there is no need to start wars, to launch attacks, and to make innocent victims. Too many innocents have died in the Middle-East. Must we recall the sacrifice foreign armed forces have inflicted upon Lebanon? Must we recall the suffering of Palestinians who have been treated unfairly for years and years? Nothing was done for them.

Some hon. members: We are still doing nothing.

Mr. Assad: That is right, we are still doing nothing. But, if a country produces oil, however little, we are there in the national interest. That is the worse case of hypocrisy I have even seen.

Canada has had an established reputation in the world for years, under Pearson, Saint-Laurent, Trudeau and even under John Diefenbaker who, admittedly, made sure that Canada had its own foreign policy completely independent from that of the United States.

In closing, if ever I wished and prayed for something in my life, it is that Canada agrees to tell the United States and any other country joining it: "We will give the sanctions time to produce their effect, even if it takes months or a year." The experts say it is a matter of time. We have plenty of time. We have behind us 5,000 years of wars, injustices, sacrifices and killings. Why not wait another six months and allow civilization to take another step forward?

I would like our country to be among those who told the world: "We are for sanctions and against any conflict that could lead to war. We believe that in time, with the support of other nations, we will achieve our goal and preserve peace. For the first time in the history of humankind, we will put an end to armed conflicts and finally eliminate agressors from this planet.

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, first I would like to congratulate warmly my colleague, an authentic Quebecer whose mother was a French Canadian from Quebec and whose father was Lebanese will. He is able to reason and understand as many men and women in Quebec what is going on in the Middle East.

I will not make a speech or comments in this period of response to my colleague's speech, but will rather will ask him a direct question. I want to congratulate him for his attachment and also his sense of continuity since coming here in Parliament. He is not a man who changes his mind from one day to the next. I want to congratulate

him for that also. He has made a remarkable contribution to the discussion in caucus. We are not allowed to refer to that, but it has been admirable. I would like to put to him a simple question.

Would he please expand on his opinion that more than ever the time has come to announce an international conference on all the issues in the Middle East? That in such a case, the Prime Minister of Canada should, without fear, show leadership at the United Nations through his Secretary of State for External Affairs in attempting a last great initiative. I ask my colleague to comment in a friendly way on what I have just said.

• (1940)

Mr. Assad: Madam Speaker, I thank my hon. colleague for his very kind words. Of course, for years that we have hoped that some nations, be it from Europe or America, would finally decide to have an international conference on the situation in the Middle East. There is no doubt that it would have been the greatest pride my country could have given me if Canada had taken the lead and told the United Nations that the time has finally and inevitably come to have an international conference to solve the problems of the Middle East, to remedy the injustices of the past,—to ensure that the Lebanese live in peace in their country, that the Palestinians find a place to rest their heads, and that Israel be safe from aggressors within guaranteed borders. But as long as the situation is such in the Middle East that we tolerate countries that have no notion of democracy but have an extremely important resource, as long as we refuse to face the real problems in the Middle East, we cannot expect that this conflict will be resolved by miracle or force. Even if they blew up three-quarters of the Middle East, it would not solve the problem.

If there ever was a time, I say that this time has come, and maybe this is the message that the opposition—as much from the Liberal Party as from the New Democratic Party—would like to send to this government and to the Prime Minister and the Secretary of State for External Affairs, asking them to make this last effort, to take this initiative to the United Nations and say that if an international conference can help to settle this matter, than let us propose it. That is to be hoped for.

Mrs. Deputy Speaker: Other questions or comments? Resuming debate. The hon. member for Bourassa.

Mrs. Marie Gibeau (Bourassa): Madam Speaker, the stakes of the issue we are discussing tonight are extremely high and I would like to say that I was struck by the sincerity, the seriousness and the thoughtfulness of the speeches of the members who spoke before me.

Most of the people in my riding of Bourassa, like most of our fellow Canadians, are not experts in international politics. They do not spend their days trying to grasp the nuances and the vagaries of international relations. They spend their days earning a living and trying to improve the well-being of their family. Nevertheless, they are well-meaning people who rely on common sense to judge what is happening. When faced with issues such as Canadian participation in the gulf crisis, they are in the habit of asking direct and practical questions. They want to know why Canada got involved in this crisis. After all, is it not a far region and is it not a conflict between Arab countries trying to gain control of a greater share of oil? Why should we put in jeopardy the lives of hundreds of men and women, some from Montreal North, for a question of oil? What does this mean for people in my riding of Bourassa, for Quebecers, and for Canadians?

Although it is always tricky to try to explain complex situations with analogies, they can often illustrate the fundamentals of a question. In my opinion an invasion is neither more nor less than a robbery. Taking control of the territory of a neighbouring country is like stealing from a neighbour, and even worse, it is like beating neighbour to steal his property.

In the case of Kuwait the neighbour in question supplied a good part of the oil the world needs. Consequently, the robbery is of concern not only to the two parties. It involves the whole community. If the community does not intervene to prevent the robbery and the violence, which neighbour is going to be the next victim? That is the crux of the issue in this debate.

We cannot tolerate such acts because of the consequences for everyone and because, according to our principles and moral values, such acts are unacceptable and intolerable. If we do not tolerate aggression and violence in our towns and cities, why on earth should we tolerate aggression and violence in the international community?

Over the years, we have developed a system of laws and regulations to protect persons and property, in other words, to ensure that our fellow citizens behave in a manner that is acceptable. On a world scale, there are certain conventions and there is a code of behaviour to which most countries generally adhere. There are rules to ensure there is peace and order in the global village. The agency responsible for monitoring compliance with those rules is the UN Security Council.

Since the invasion of Kuwait last August, the Security Council's approach has been balanced and decisive. It was able to maintain a consensus when adopting twelve consecutive resolutions. The UN has explored all diplomatic avenues, which includes the latest visit to Baghdad by Secretary-General Perez de Cuellar, to find a peaceful solution to the gulf crisis. The Government of Iraq has reacted with intransigence, insolence, and indifference.

Faced with this lack of co-operation on the part of Iraq, on November 29, the UN Security Council adopted Resolution 678, according to which member States are allowed to use all necessary means to ensure compliance with the previous resolutions, and more specifically, to oust the Iraqi forces and restore Kuwait's legitimate government.

This resolution was adopted on November 29. But in spite of numerous efforts to solve the crisis by pacific means, the Government of Iraq did not show any sign of changing its politics and its attitude in the matter. Thus, it appears to be unwilling to collaborate. It knowingly chose not to respect the international order, the United Nations, and the UN resolutions. The Iraqi government is an international outlaw, no less. Like all outlaws, it must suffer the consequences of its actions.

However, there is quite a striking difference between the Iraqi government's situation and that of the common criminal who makes the headlines. The fact is that the international community offers a way out to the Iraqi government, and a pacific one at that. It is up to Saddam Hussein to choose his destiny. Will he leave Kuwait of his own free will, or will he wait for the community of nations to force him to do it? Will he choose a pacific solution, or will he persist in defying international order, thus forcing a tragic confrontation with the international community?

Faced an obstinate and intransigent aggressor, should the international community bow down itself or should it take the necessary means to force the aggressor to retreat behind its own borders?

• (1950)

I suggest that on the basis of these considerations, only one conclusion can be drawned. Yes, we must constantly seek diplomatic and peaceful solutions to the crisis. Yes, we must maintain the UN imposed sanctions. However, is there any evidence that these sanctions have had any effect on the Iraqi government? None, as far as I know. Although they may have caused serious problems to the Iraqi people, after five months, they do not seem to have charged anything in the arrogance and inflexibility of the Baghdad regime. How long should we wait? Six months, a year, five years? There is no answer to that. After all that time, what would remain of Kuwait?

The presence of Iraqi forces has already been detrimental to the people, the economy and the infrastructure of Kuwait. Moreover, if the international coalition does not act decisively and efficiently, the whole international order and the principles of collective security will be seriously jeopardized. Failing a decisive action, the United Nations, credibility and effectiveness could rank among the major victims of the gulf crisis. We do not want to return to a situation where the only law which would prevail in this world would be the law of the strongest.

We are dealing with collective security. The invasion of Kuwait has already destabilized an already volatile region which is of tremendous importance for our interests and the health of the world economy. Through the United Nations, the international community must take action to re-establish the territorial integrity of Kuwait, one of its full members, failing which the notion of collective security would remain a purely theoretical view. We would endorse that might is right. Our words must be supported by our action.

Moreover, the invasion of Kuwait has profoundly disturbed the economic stability as well as the physical and social well-being of several countries in the world. That region of the Middle East contains more than 40 per cent of the world's oil reserves and the disastrous repercussions of rising oil prices are felt throughout the nation-inflation, unemployment, slower economic growth, not to mention a number of other problems related to international trade. This economic instability directly affects Third World countries as well as Eastern Europeans for whom oil prices amount to a major obstacle to economic recovery.

Canada is a pacifist nation, but it is also a responsible people in the world community. We have thoroughly explored all diplomatic and pacifist options, all the while stressing that any initiative whatever would be taken under the banner of the United Nations. But the Iraqi government is not prepared to release its grip on the territory and the people of Kuwait. There is no indication of a compromise.

The moment of truth has arrived. But this moment of truth has arrived not only for the Iraqi government, but also for the United Nations, for international order, and for the promotion of collective security. Our duty is to protect the weak from the strong. We simply cannot allow Saddam Hussein and his government to benefit from his aggression against Kuwait. Sooner or later he will have to realize that the international community cannot condone such acts of violence and territorial aggression.

The survival of Kuwait is at stake, the future of the Middle East is at stake, and the future of international order as well as the credibility of the United Nations are at stake. The international community must be able to rely on Canada. In short, Madam Speaker, Canada has to be there.

[*English*]

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I congratulate the vice-chair of the Standing Committee on External Affairs and International Trade on her presentation. I know she is very knowledgeable on this subject. She concluded her debate by asking an open question of us all.

We are looking at the future international order and we are looking at the future of the United Nations.

I would like to ask her whether the credibility of the United Nations and its ability to solve similar problems in the future would not be enhanced if this dispute were resolved without military intervention. If this crisis has to be resolved through military intervention, would this not undermine the future world order and undermine the future effectiveness of the United Nations?

[*Translation*]

Mrs. Gibeau: Madam Speaker, I would like to thank my hon. colleague, who sits on the Standing Committee on External Affairs, for his question.

Obviously, the goal of the United Nations is to ensure the over-all protection of nations, that is the protection of their territory as well as their people. The United Nations promoted and proposed measures that would have allowed the invading country to withdraw of its own free will from the country it had attacked without any provocation.

These resolutions have not changed, and are still in force until midnight today. That gives us four hours. We can still hope for a miracle the one which allowed Saddam Hussein to release the hostages. He could have a vision telling him to start moving his troops out of Kuwait.

In 45 years of existence, the United Nations has made several attempts at getting to what we now have, that is an unprecedented coalition with forces coming from a great many countries and taking a united stand against an agressor.

I agree with you that a peaceful solution would be the best. Everyone would be a winner. However, in this instance, we do not get to choose between peace and war. Unfortunately, what we have to deal with here is an invading country guilty of pillage, rape and plundering againt a sovereign nation which had a legitimate governement and is a member of the United Nations. Given the circumstances, the United Nations, of which Canada is also a member, cannot afford to break apart at this point in time.

[*English*]

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, my question is for the member whose speech was an attempt to speak to the practical and day-to-day concerns of her constituents in Bourassa.

Estimates flowing from the United States practice attacks that have taken place in the Middle East against fortifications similar to those which are said to be in place in Kuwait and in parts of Iraq, place the casualty rate has been at upward of 50 per cent, of those who would have been killed in these mock exercises.

I have two sons—I have one who is 23 and another who is about to turn 16. How many children, how many young people from our country on ships, planes and on the ground in the Persian Gulf does she expect to die as a consequence of military action? Would she bring herself to answer that practical and down-to-earth question for her constituents in Bourassa? Would she bring herself to answer the question for constituents of all of us who face the prospect of sons and daughters dying in a war thousands of miles away, having to do with the price of petroleum, having to do with the national interests of the United States, and having very little to do with the national interests of this country? What is her estimate of the number of Canadians who will die in military action as a consequence of the armed recourse which she recommends?

• (2000)

[*Translation*]

Mrs. Gibeau: Madam Speaker, the hon. member has just managed to pull off a feat worthy of the great Greek tragedies. I would like to return the question to him: How many children is he willing to sacrifice in Kuwait? How many women and children is he willing to let starve through economic sanctions that we know are not 100 per cent effective because there are leaks everywhere. It is not only food that leaks into Iraq through Iran, but also military equipment. My colleague opposite knows that. Sanctions are not effective. Borders are not tightly closed. We are dismissing our responsibilities to save our necks. I am talking about mine and yours. How far will hypocrisy go to save whose neck?

The hon. member is saying that children out there are not important, neither those from Kuwait, nor those from Iraq and neighbouring countries seriously threatened because an individual has decided that starving his people to him.

I find it unfortunate that a person would use this House to raise fears that are real, but at the same time to hide behind those fears. And that person belongs to a party that claims to be responsible.

[*English*]

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I have a question for the hon. member for Bourassa. It is quite simple. We are being intellectually dishonest here. We are debating a motion, pretending that it deals with a UN resolution so that we can all feel good in this place. In actual fact, we are debating a motion to give approval to send Canadian men and women of our Armed Forces to war.

What I want to ask the member, clearly and cleanly is if she believes that an affirmative vote on this motion gives the Prime Minister of this country, without further recall of this Parliament, the authorization to order Canadian forces into a theatre of war, in the event that American forces go into Iraq or Kuwait.

[*Translation*]

Mrs. Marie Gibeau (Bourassa): Madam Speaker, I have heard the words "intellectual dishonesty". I do not know to whom they apply. They do not apply to this side of the House. Maybe he wants them applied to himself. I have said in my speech at the very beginning that I had been impressed by the quality and by the seriousness of the debates heard up to now. I do hope we will not witness a deterioration as we get closer to the deadline.

My colleague's question has no link with the present debate. I fail to see why we are departing. The subject under debate refers to responsibility. Does Canada really pretend to belong to the international community? Will Canada really fulfill its commitments to the United Nations? Will Canada really respect its so-called principle that, all peoples are equal for the United Nations?

[*English*]

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I rise today to speak in this very important debate. The motion under Government Business reads:

That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

An amendment was moved to the motion to add:

"through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time."

It is somewhat ironic and cynical to be debating this issue at this hour, 8.05 p.m., four hours less five minutes to the deadline. It is theatre of the absurd.

The die is cast. I do not know what that die will mean, but certainly Canada and this debate are not going to effect the changes that would be required if we wanted to have a different outcome.

It is unfortunate that we were not able to get into this debate in a much more enlightened way, and certainly sooner, in the course of the events that have led us to this moment.

I rise with a great sense of sadness, concern and yes, a degree of despair at the way events seem to be propelling themselves forward in the Persian Gulf. I know I share that view with many Canadians. There seems almost to be a sense of resignation in the air as the breakout of hostilities in the Persian Gulf appears imminent.

Canadians just have to turn on their TV sets to see the military strategies being played out time and time again, scenarios that must frighten men, women, children, mothers, sons and daughters. I fear that this war, if it comes, may have come too quickly, and I regret that this government did not fight with more strength and conviction when it held that important seat on the Security Council which would have enabled it to promote the role of sanctions to a much greater extent.

Sanctions have not been given enough time. For whatever reason, the coalition of countries is now backed into a corner from which there appears to be little room to exit. Under these conditions, Canadians feel very helpless. They see and sense a degree of powerlessness, and I share that sentiment.

I share that sense of being unable to change the course of history. I recall the feelings I had as I saw the faces of the school children describing their fear of what is to come on the television cameras last night.

To be sure, as the hours tick down toward the UN deadline, no stone can be left unturned, no avenue should be left untested, and no option for peace can be rejected out of hand. At the same time, we cannot afford to give up on the very reason that the allied nations began this whole effort, to turn back Saddam Hussein's aggression without condition, and to stop this madman without offering something in exchange, without giving him a reward for the atrocities that he has committed and without making a linkage to other situations in the Middle East, because that is absolutely ridiculous and is not related.

I believe that we can, even at this last minute, achieve effective change if there is the public will on the part of all the countries that have come together to apply sanctions and to tighten the belt. At least we have the moral obligation to try that first. It must be very clear so that we can never say that we did not try all the options, that we did not try at least until they proved that they could not function.

• (2010)

To date, many experts have said—and that includes the director of the CIA and former Secretaries of State of the United States—that it is far too early to expect evidence of the effect of sanctions. I say to the House, give this action some time, let this embargo continue, give a chance to Saddam Hussein to halt, if it even means for him to save his ugly face, and let us try to find a peaceful solution.

No one wants a war. No man, woman, child, mother, father, sister, brother—the whole family constellation whether close or far apart—have the right to express themselves to their country, would ever want to choose war. War is a very devastating and miserable experience.

We do not live in a perfect world. No one wants famine either, but look at what is going on once again in Ethiopia, in the Sudan, and in other parts of the world. Hunger and famine exist in this not so perfect world.

No one wants human rights to be violated, but look at what just happened within our television memory of a day in Lithuania. Human rights are being violated. We have already forgotten what happened in China in Tiananmen Square. But in this imperfect world of ours, these things happen. It does not mean we have to accept them. It does not mean we do not speak out against them, but we cannot be constantly up in arms. We have

to find a new world order in which hopefully, please God, we will be in a position to move forward with some other kinds of answers. No one wants to see military force used here but it may well have to be. The sounds of war can be heard all around us. Hospitals right here in Ottawa have been put on alert. All of this is part and parcel of this very imperfect world in which we find ourselves.

Though imperfect, there has been some improvement since the last world war. There has been some improvement since the time of the League of Nations. We now have before us the United Nations where for the first time we are seeing the use of a collective action, the sense of a collective role and responsibility and that gives me some modicum of comfort, not total comfort, in this imperfect world.

I recognize that circumstances are different today. We have, as I have said, the support of most of the world's countries. We do have 30 countries out there in the gulf working together to apply those sanctions, to set that embargo in place and to maintain it. This is not World War II or just prior to it with the disintegration of the League of Nations when Lester B. Pearson decried the abandonment of economic sanctions as a lever to effect change.

But there is a sense of history here too. There is a sense that there are lessons to be learned. I hope that those lessons were learned and those economic sanctions will help.

I have to put into the hopper very serious concerns which are best expressed in a letter I received among the many faxes and phone calls I have received. I want to read excerpts of this into the record. It reads:

> Dear Sheila:
>
> I recall as a young boy, standing on a Saturday afternoon near the Rhine Bridge in Cologne, watching units of the Reichswehr marching across the Rhine River in defiance of the Versailles Treaty. That was the beginning of the West's subservience to Hitler, to be followed by the anschluss of Austria, the takeover of Czechoslovakia, the unprovoked attack on Poland and, subsequently, the Second World War with its loss of 25 million lives, including one-third of the world's Jewish population. I was witness to all this history, and will never forget it.
>
> Saddam Hussein's rape of Kuwait and his arrogance and bloodthirsty assault on world peace is a striking shocking parallel of past history.
>
> His hypocritical effort to manoeuvre the world into the issue of linkage with the Palestinian problem is, unfortunately, being bought by so many in the west and, naturally, in Mohammedan countries.
>
> It is very evident that nothing seems to move Saddam Hussein to back down on his position. The likelihood of the coalition holding against him long enough to have sanctions work would appear very slim.
>
> I hope, Sheila, that this lesson of history will be on your mind in tomorrow's debate on the gulf situation.
>
> Yours truly,
>
> Kurt Rothchild

I understand Kurt Rothchild and I understand the millions and millions of Canadians who have lived through this horror, who lived through the Holocaust and for whom this must be a very difficult moment.

But there were no sanctions then. I would hope that in supplying sanctions, we are not giving in and we are not giving up on the United Nations and on its resolutions. It is a matter of timing. I should say we do respect the United Nations. We adhere to the United Nations' principles, and we do respect the charter.

If we are on the brink of war, we can surely admit that mistakes were made along the road that got us here. Those mistakes brought us too quickly, to the brink of a conflict nobody desires. Those mistakes were real. They may very well have forced the hand of the United Nations coalition into the pending battle.

Of course, the first and most enormous mistake was Saddam Hussein's aggression in the first place. But were sanctions given enough time? I do not think so. Was adequate time given to search for peaceful resolutions while avoiding linkage with other issues? I do not think so.

With respect to Israel, as we look at the Middle East where the world's eyes are now focused, we see a region which has known more war than peace in recent times. My eyes, both as a Canadian and as a Jew, are also drawn to Israel. Naturally, Canada is a good friend of Israel. It, too, is watching Iraq's actions very closely. Israel has clear and definite security interests, but Israel has not sought to confront Iraq, nor attempted to enter the present crisis in the Gulf. Israel does not want war. Israel wants to see this aggression peacefully resolved as do we here in the House and as do all Canadians.

We are, however, aware of Iraq's stated intention to attack Israel if war breaks out. This kind of action would be unacceptable to Canada and Canadians. We share in the conviction of Israel's right to defend itself if at-

tacked. It is the same right we maintain here in Canada. We also reject any linkage of Iraq's aggression to other situations in the Middle East.

We all truly regret the way events seem to be propelling themselves at this hour in the Persian Gulf. I fear, as do so many Canadians, that we are on the threshold of a war that nobody wants.

Finally, it is with sincere regret that we face the prospect of warfare in the Persian Gulf. I do sincerely wish that sanctions had had their desired effect before this time. I hope to God it is not too late. I hope the United Nations coalition will hold and will work.

• (2020)

All Canadians wish that we were not facing conflict, but most of all I wish that Saddam Hussein had listened to the world after these many months and had realized that his aggression would not be allowed to stand.

Let us not forget that, if war should come it comes chiefly from the intransigence of Saddam Hussein and his steadfast refusal to heed world opinion and retreat from Kuwait, and from his brutal assault on a small, unsuspecting neighbour. This small, unsuspecting neighbour—which was not much of a democratic state, itself—will, I hope, be returned to a life that would include a democratic life-style. I would hope that the untold atrocities of this man and his ilk will not be forgotten. I would hope that, where there is no sign of remorse and regret, the world will move to act.

There are no winners in a war. This one is just too horrible to contemplate. That being said, there is no question that, at a given point, one has to say that enough is enough. Circumstances, at a given point in to time, will not allow us to contemplate idly such injustice without action and we should certainly not expect that Kuwait should be the Czechoslovakia of 1991.

At this moment, I share with Canadians their concern and apprehension in these hours before the UN deadline. Instinctively, Canadians are all opposed to war. Intuitively, Canadians are peaceful people. Our frustration in this hour is real, the discouragement is genuine, and the concern is certainly grave. Along with all Canadians, I wish that this entire affair had not occurred, but we cannot change that. Short of that, Canadians, being a peaceful people, hope and pray that peace is swiftly returned to the Persian Gulf.

It seems insane that war should be the only solution should this world enter into the unknown—a nuclear holocaust, bacterial warfare, or chemical warfare. As a representative of thousands and thousands constituents who have suffered at the hands of Stalin in the Second World War, I am in a position to understand that intense desire for justice, a sense of desire for revenge, and the desire to go to war. People cannot stand the thought of the rape and pillage on the one hand and letting those who ravage go free on the other. Yet, I just cannot counsel war as the first option at this moment.

If the initial United Nations resolution and its evaluation has contained Hussein in his ill-conceived aspirations for leadership and power, perhaps just a little more time will allow the United Nations to verify how the sanctions are working and will allow Hussein to back off. It is the moral duty, however, of the international community to stop him. The question is, how soon if he still does not budge?

I would say to you, Mr. Speaker, that if ever we have to revert to a more aggressive action it is because there is no other way. God willing, let there be no war.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I wish to ask the member a couple of questions relative to her comments on linkage. Linkage has to be addressed in the sense of history and I address this to my colleague with some thought of history.

Currently, Syria has said as one of the members of the United Nations group that, should Iraq attack Israel and Israel responds in defence, Syria will walk out of the alliance. Is that the kind of Canadian partner that we are talking about when we hear the Prime Minister talk about Amnesty International?

The President of Egypt said in a recent interview that, should the Israelis respond to an unprovoked attack by Saddam Hussein, he too would consider leaving the alliance, although after that interview was published he softened his position.

They speak of linkage. They have already made linkage conditions to part of what we are playing. Let us understand that nobody's hands are clean in this whole area. They have put conditions on their partnership that this government has not talked about, nor has the United States. Where does that leave Israel? It is a good question to contemplate.

The other thing the hon. member addressed which I thought was appropriate in the letter was a question of comparing this to the *anschluss*. That has not been the line that has been attempted to be sold as an argument against Saddam Hussein. I make it clear that I hold no grief for that tyrant who has poisoned his own people with poison gas. But if we are going to talk in the terms of the *anschluss* and we are going to talk in terms of what the Prime Minister of this country said today about invoking Amnesty International's report—a correct accurate report on the brutality of Saddam Hussein's government's actions in Kuwait—let us understand where the host ground, Saudi Arabia, ranks when it comes to Amnesty International. My dear friends, nothing is pure, nothing is clean, and there is a linkage everywhere.

I would like her response to some of these partners and their linkage: Syria, as I have outlined; Egypt, as I have outlined; and now Saudi Arabia.

Saudi Arabia is a country where women are stoned to death for adultery. It is a country where a thief is punished by having his hand amputated. Women cannot drive cars or swim in the same pool as men. Bibles are forbidden and no religion, save Islam, is allowed. I wish the Prime Minister were here to listen to this because he is the one who invoked Amnesty International. Amnesty International reported that last year 111 people were executed, 16 of them political prisoners, and they had their heads chopped off. I do not advocate that for dealing with politics here. But when talking about linkage, remember we are linking ourselves with Saudi Arabia and, by the Prime Minister's criteria of Amnesty International, one cannot use it for one country and not another. Amnesty International does not have very much nice to say about Saudi Arabia.

There is linkage already defined by some of the partners, for example, Syria and Egypt. There is a request for Israel to shut up when a rocket comes over there and not respond. Linkage? That is linkage by the tacit message from the United States to Israel. When we talk about linkage, let us understand that there is heck of a lot more involved than just linkage around a reasonable peace treaty.

On the basis of that record and that linkage, not sparked by Saddam Hussein's actions, would it not be appropriate that the least we could expect is a regional conference in that area to deal honestly and in an up front way with every single one of the problems, rather than just going hell bent for leather to get into a war without understanding the consequences of the linkage we have already subscribed to?

Mrs. Finestone: Mr. Speaker, I would answer my hon. colleague that he has not missed the obvious, I am sure.

The linkage between Israel and its' responsibilities in this for part of the problems, as they have been expressed by Saddam Hussein, has absolutely nothing to do with Hussein's violent aggression against a colleague, against a country that supported him both financially and morally, a country for which he was a co-operative part of that whole Arab constellation of countries. He walked in and raped his neighbour. The difference is that Israel was aggressed by all its neighbours, won an almost impossible war and tried to give that land back in exchange for peace and no peace conference was forthcoming by the Arabs.

• (2030)

Do not make the inaccurate and incorrect linkage with that in that respect. Yes, Lebanon has been aggressed by Syria and Israel got accused of certain things. No one is absolutely blameless in any of that area.

With respect to the cultural practices in Islam and the cultural attitudes toward a lifestyle in the countries of that Arab world, I have no intention of asking or telling them how to change it. Its' own population should do that and it should be responsive to its' own population, to the women's movement in that area who no more want to walk around with those chadors and God knows what else. They want certain kinds of freedoms. I do not know to what extent they want freedom. I do not know how much, or how far, or what changes they want to make. They can be responsible for themselves. They are very intelligent. They are very capable.

The Arab people and the Muslim people are very intelligent and capable people if left without some of the power hungry idiot mongers out there, who are changing those people and their attitudes. Israel, Jews and Arabs lived as comfortable brothers and sisters together for generations. It is only in recent history that this is an aberration. It is because of the power hunger of their leadership at this date.

Please, let us talk about linkage perhaps, but not this kind of linkage at this time. Yes, there are many problems, but we cannot solve them all. The one we are discussing tonight—and it is almost the eleventh or the twelfth hour—is the question of Saddam Hussein and his rape of Kuwait. It is the impossible situation of the Kuwaiti people that has to be settled. We have to find ways to do that which do not put that whole conflagration into operation: nuclear holocaust, bacterial warfare, chemical warfare, and God knows what its impact will be on all of us.

We do have a moral responsibility. We have a responsibility as a people and Canada cannot walk away from it. We are not suggesting that we walk away from it. We are suggesting that we have to pick the proper time for Canada.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, this is an important opportunity in front of so many members here because I do not fundamentally disagree with what the hon. member is saying. She is pointing out the idealized goal. I am pointing out some of the inconsistencies of the current Canadian government's position. I think they have to be understood.

The Prime Minister is the one who invoked Amnesty International. I am the one who reminds the House that it was the Prime Minister who brought in Amnesty International as a touchstone for his definition of good works. One of our partners here does not stack up too well in good works.

The linkage I referred to is not the one that Saddam Hussein has defined. I agree with the hon. member completely that he is in no position to define anything. He is the aggressor. But some of our partners have defined linkage.

What I was bringing to the hon. member's attention is the linkage defined by Syria which is now one of our partners. Mr. Assad's linkage is that if Israel is attacked and responds, he will pull out of the partnership. What kind of partner it that? The same with President Mubarak of Egypt. Furthermore, these things do not happen in isolated arenas. Who was it that armed Iraq to the teeth? It was the Soviet Union, the United States, and France that armed Iraq.

I am just pointing out that there is linkage in other dimensions and I did not want that opportunity to pass without understanding that linkage has more to say than just one single definition, and I agree with the member.

Mrs. Finestone: Mr. Speaker, there is no question that war makes very strange bedfellows. Of that, there is no question. I would say that the linkage has more to do with power and power hungry persons, and leadership of the Arab world. It is not with oil, and that is why perhaps one might see Syria talking out of both sides of its mouth. That is why I think that there may be that kind of linkage problem.

With respect to what the Prime Minister is doing, I have no intention of referring to the unpopular Prime Minister. I have much more interest in referring to the importance of Canadian's sons and daughters who are in this war and what they have to look forward to, and what kind of answers we as parliamentarians and their elected representatives have as a moral responsibility.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, it is a pleasure to rise to participate in this very important debate.

I would like to begin by making some comments on the remarks by the hon. member for Mount Royal, which I thought were very articulate and very heartfelt. She articulated the issue very clearly and in a very straightforward way when she said: "There comes to be a point when enough is enough."

Really, the question is: When is that point? What is so vexing about the situation which faces us in the Middle East today is trying to determine when that point is.

As a member of the government, I must say that I cannot imagine an issue more difficult. It is one that has certainly occupied us and preoccupied us for some time now.

I think it is important perhaps to review why we are where we are. The key decision made by the countries of the world was a decision to prevent Iraq from any further aggression after it had occupied Kuwait. This required not simply the imposition of interdiction of shipping in the gulf. This was, in many ways, after the fact, but involved the landing of land forces in Saudi Arabia to prevent the further extension of Iraqi military occupation.

Once that was done, the international community was faced with the question of how to resolve the situation. It is extremely difficult because the situation is very unstable.

The member for Esquimalt—Juan de Fuca pointed out some of the difficulties in that area. There is an enormous amount of tension. Politics does make strange bedfellows, and sometimes it makes estranged bedfellows.

The coalition that has come together uniquely and for the first time in our history to deal with the situation in the Middle East is a very fragile one, and when trying to identify the appropriate moment in history to decide that sanctions are not going to be effective and that it is appropriate to take additional steps to enforce the desire of the world to have order, and to deter aggression.

It is important to recognize that it is a very unstable situation. The cost of not acting is very high. Therefore, I think the actions of the United Nations made a great deal of sense when, after imposing sanctions, after countries of the world were prepared to go into Saudi Arabia to prevent further expansion of Iraq, the countries of the United Nations through the Security Council set a deadline because the situation was very clear. Either Iraq had an intention to abide by the resolutions of the Security Council, or it did not.

The problem with the analysis of sanctions is that there is an assumption there were sanctions in fact to intrude on Iraq's warmaking capability and that Iraq would withdraw from Kuwait. I think that is a highly questionable assumption.

On the contrary, the Secretary of State for External Affairs has pointed out that whatever the effect of sanctions are on Iraq, they have not been on its warmaking capability or on the strength of its military.

It is also naive to assume that were sanctions to begin to have that kind of effect and to begin to bite on the military capability of Iraq it would lead Iraq to withdraw from Kuwait. The coalition that is in the Middle East now to deter aggression is unstable. There are many conflicting issues. The Middle East conflict between Israel and its Arab neighbours is only one of them.

The tension between the Arab Muslims who live there and the non-Arab Muslims who are there as part of foreign troops is also part of a very destabilizing difficult situation. Saddam Hussein has everything to gain by time because it enables him to pick his moment to try to destabilize the coalition. I can quite imagine what would happen if he began to feel that things were getting a little bit tight in terms of the interdiction of shipping, and it is a very loose set of sanctions. There certainly are back doors and very large holes in the sieve in terms of key military capability. It is not at all clear that such a situation would not in fact lead Saddam Hussein to take a desperate military act in the hopes of destabilizing the coalition and making it impossible for it to act. The longer the international coalition waits, the more difficult it is to act with cohesion because the more its internal inconsistencies will come into play.

• (2040)

We have a very rare and fragile situation there. It is a situation that has been made possible by a reduction in tensions in the cold war. I was very touched by the member for Mount Royal's reading of the letter from someone who had witnessed the events before World War II. It is appropriate not to overdraw historical analogies, but it is also important to learn the lessons of history.

Will we stop and think that one of the reasons the United Nations has been unable to function as an effective deterrent to aggression for the last 45 years is because of the legacy of the cold war? That legacy of the cold war is a legacy whereby tens and tens of millions of people have lived under a dictatorship and under oppression in the countries of eastern Europe.

I was born in 1947 right after the war; I am 43. There are people my age who have never known freedom and the reason they have lived under those situations is a direct result of the inability of the international community to deter aggression in the late 1930s.

We talk about the cost of not deterring aggression. It is a cost that is worn often by generation after generation. It is that direct cost of failing to deter aggression in the late 1930s which subsequently rendered as a result of the post-war regime whereby, as a result of World War II, the highly undemocratic Soviet Union was able to take over much of eastern Europe, countries which had been democratic prior to the war.

It has taken my whole lifetime to change that. And in the course of my whole lifetime, the United Nations has not been capable of acting as its founders wanted because of the tensions of the cold war.

We are talking about a very complex situation and it is very difficult to try to read what will happen. None of us has a crystal ball, but it is important to recognize that we have a rare opportunity to establish a principle here. It is not precipitous of the United Nations to want to back up sanctions with force because it is a very realistic assessment of what is going to happen in the Middle East. If Saddam Hussein does not respect the ultimatum and the deadline of the United Nations by today, he is not going to respect it next month or the month after. In fact, the capability of deterring him and getting him out of Kuwait diminishes rather than increases because the capacity of the coalition to act decreases.

My intention this evening was not so much to address those particular issues, although I was very moved by the presentation of the member for Mount Royal and wanted to address some of those concerns because I have been part of the process of trying to deliberate this vexing and troubling issue.

As Minister of Justice I do want to talk a little bit about the legal framework in which the government has conducted its dealing with this particular issue. There are some important issues in terms of the law and the Constitution that should perhaps be put on the record.

The rule of law is the guiding principle of our domestic constitutional system and the ultimate reason for our longstanding commitment to the United Nations system. The issue today is the rule of law in international affairs and whether it can be made a reality and not just a pious hope.

We Canadians have special reasons to understand the crucial importance of the rule of law. It is the foundation of our democracy and of our fundamental rights and freedoms found in our Charter. Respect for the law has always been fundamental to what makes this country a safe and peaceful place to live. Canadians know that when the law is broken, it is society that is harmed not just the victim.

So, too, in the world at large. All countries, and all peoples are put at risk when the strong invade the weak. Fundamental values are put at risk. The world must stand by its principles and protect the rule of law as the basis for future hope for all mankind. Canadians would expect no less if we were the victims.

It is against this background that I would like to speak of the legal aspects of this crisis, both in Canadian and international law, and talk of the respective roles of the government, Parliament, and the United Nations.

[*Translation*]

Under Canadian law, the use of military force by Canada on its own initiative or as part of the United Nations collective security system has always been the prerogative of the Crown, as is the authority to sign treaties and to recognize or refuse to recognize foreign states. That is at the heart of the conduct of external relations. As recently as 1981, the Supreme Court of Canada stated that the power to declare war was part of the prerogative of the Crown. Our constitutional law experts share this opinion. An enforceable measure authorized by the UN is certainly a military intervention that does not go beyond the limits of traditional prerogative.

Section 31 of the National Defence Act deals with the situation of armed forces personnel. It provides that the Governor in Council may place the Canadian forces on active service in consequence of any action undertaken by Canada under the United Nations charter.

[*English*]

The House will recall that an Order in Council was passed on September 15, 1990 under this provision, placing the Canadian component of the multinational military coalition on active service. This measure was stated to apply not only to the implementation of United Nations measures that had then been passed. It also referred to participation in "such other actions as may be appropriate under the charter of the United Nations".

[*Translation*]

The government made sure that the House was aware of all the events that have occurred since the beginning of the crisis. We have done so out of a deep respect for the parliamentary system, democracy and the principle that a responsible governement must account to the House for all the important decisions it makes. Today, we

put this question before the House for a third time because the situation is so critical that it is appropriate for the House to consider it.

[*English*]

Hon. members will no doubt recall the resolution passed on October 23 which condemned the Iraqi invasion, affirmed support for Canadian actions, and contained an undertaking on the part of the government to present a further resolution in the event of an outbreak of hostilities.

This was followed by a resolution of November 29 which supported the efforts of the UN under the original resolution and subsequent UN resolutions, including resolution 678. Notwithstanding that there has not been an outbreak of hostilities, the government has ensured that the House has been recalled to consider this motion as the expiry of the UN deadline draws near.

The measures the government has taken in bringing developments before Parliament go beyond what happened in the case of the Korean conflict. There Parliament was indeed informed and given an opportunity to debate the issue, but it was after the fact. Here the government has consistently brought matters to the House in a timely way.

[*Translation*]

Some people argue that the terms of the motion are too vague. Those people forget that we want essentially to support the UN and the action it has taken. We are not alone in this. We are participating in a collective effort with many other countries. The terms of the motion must not be too strict. They must provide for enough flexibility to be able to react to the events as they occur in the context of the UN.

Until now I have spoken only of the various initiatives Canada has taken and of the constitutional framework in which they have been taken. Allow me to give an overview of the decisions that were made by the UN, the order in which they were made, and the principles of the UN charter on which they are based.

[*English*]

In the exercise of its responsibilities under the United Nations charter to maintain or restore international peace and security, the Security Council adopted resolutions under chapter VII of the charter. The first resolution, resolution 660 of August 2, 1990, determined that there was a breach of international peace and security as regards the Iraqi invasion of Kuwait on August 2, 1990. It condemned the invasion, demanded immediate withdrawal by Iraq, and called upon Iraq and Kuwait to begin immediately intensive negotiations for the resolution of their differences.

Four days later, on August 6, in resolution 661, the Security Council, deeply concerned that resolution 660 had not been implemented and noting that the legitimate Government of Kuwait had expressed its readiness to comply with resolution 660, decided to impose economic sanctions under chapter VII of the charter.

• (2050)

[*Translation*]

According to the other resolutions, the Security Council declared legally invalid the annexation of Kuwait by Iraq. It asked Iraq to facilitate the immediate departure of third party nationals from Iraq or Kuwait, condemned the Iraqi agression against diplomats and diplomatic premises, and asks member states which had naval forces in the region at that time to take all necessary and justified measures under the circumstances to intercept ships and enforce the economic sanctions.

[*English*]

Finally, by resolution 678 of November 29, 1990, the Security Council, recalling and reaffirming its 11 resolutions relating to the Iraqi invasion of Kuwait and mindful of its duties and responsibilities under the charter of the United Nations for the maintenance and preservation of international peace and security, gave Iraq until the end of January 15, 1991 to comply fully with resolution 660 and all subsequent relevant resolutions requiring Iraq to withdraw from Kuwait. Failing this, member states are authorized to use all necessary means to implement those resolutions and to restore international peace and security in the area. Furthermore, resolution 678 requested all states to provide support for these actions.

The overriding principle of the United Nations is the maintenance of international peace and security through collective action. The most fundamental principle of the charter is article 2, paragraph 4, which prohibits the use of force in international relations, especially aggression against the territorial integrity of any state.

Article 2, paragraph 5, requires all the members of the United Nations to render assistance to the organization in actions which it undertakes under its authority.

Article 25 stipulates that the members of the United Nations agree to accept and carry out the decisions of the Security Council. The House approved the charter and Canada's membership in the United Nations with all the obligations that entails by a motion passed on October 19, 1945, shortly after the birth of the new organization.

What this House is discussing today is no more and no less than the fulfilment of its obligations under international law and specifically under the charter of the United Nations to which Canada has committed its full support.

Prime Minister St. Laurent said in this House in 1950 in connection with the Korean action: "the whole prestige of the United Nations has been committed. It is not only the fate of South Korea that hangs in the balance. It is the fate of the United Nations, the fate of that organization upon which the hope of peace in the years ahead now rests."

To put it simply, this is an exercise in law enforcement. It is a repudiation of those such as Saddam Hussein who attempt to take the law into their own hands in an effort at the collective enforcement of the most fundamental principles of international law.

[*Translation*]

In brief, the authority and the legal responsibility really exist. Everybody knows that superpower rivalries have always harmed the general objectives of the United Nations charter. The first hopes were dashed, but the situation has evolved and new opportunities exist. The fundamental principle of non agression on which rests the United Nations charter could not be fully applied unless members states agreed to honor their solemn commitment to collective security. We all must be ready to defend our principles and to assure the security of innocent and law-abiding peoples.

[*English*]

Let me conclude by assuring this House that every step the Canadian government takes in this matter will be in strict conformity with both the Canadian Constitution and international law.

I would like to conclude by pointing out that I quoted Prime Minister St. Laurent speaking about the important implications of the Korean action and this country's participation in it. That was the last time that the United Nations was capable of acting in a concerted way to enforce international law. It happened because one of the countries that traditionally vetoed the motions of the Security Council which would have permitted that action happened to be absent from the Security Council on that day. The action in Korea was able to take place only because of the absence of a member of the Security Council.

It has been 41 years since the United Nations has been able to take concerted actions in the Security Council and to pass unanimous resolution upholding the rights of international law and upholding the action of United Nations against aggression. It should not be another 41 years before the United Nations can do that. It is a very important time in its history, and I strongly support Canada's participation in this action.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I just want to ask the hon. minister a very brief question.

Inasmuch as I have heard this type of speech on several times this evening, would she tell this House if it is her understanding that a positive response to the resolution means in fact that the government will engage in armed intervention without further consultation with Parliament?

I will accept a very brief answer; a yes or a no will do.

Ms. Campbell (Vancouver Centre): Mr. Speaker, our troops that are in the gulf now and have been there—

An hon. member: They are not in armed conflict.

Ms. Campbell (Vancouver Centre): The troops that are in the gulf to fulfil their obligations under sanctions have always been in a position where they might have to engage in combat. They are vulnerable and, if they had been attacked, they would have had to respond.

What I have tried to point out is that the constitutional, legal authority to change that mandate, which has not been changed, is the royal prerogative. That decision has not yet been made and it is why this debate is taking place. I want to say that as a member of the government I have been very grateful for the insightful and thoughtful comments that have been made in this House today.

I have tried to hear as many of them as I can, either directly or on television, because it is a very difficult decision. The operating mandate of our forces has not changed. It is a misconception on the part of some Canadians that their being in the gulf now to enforce sanctions means that they would not possibly become involved in combat. That could have happened at any given time and they would of course have behaved appropriately.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I would like to ask a question of the minister.

I preface my question by pointing out that the minister has made reference to the conflict in Korea some 41 years ago. The minister will know—and I am surprised that she did not draw it to the attention of the House—that the troops engaged in that particular conflict were of course under United Nations command. That is not the case with the troops that would be engaged in the conflict if, God forbid, war breaks out in this particular instance.

I want to draw to the minister's attention the fact—and I am sure she is aware of it—that she is, as I am, from Vancouver, British Columbia. The minister will know and will recall that on the weekend literally thousands of British Columbians gathered in the heart of her constituency in front of the art gallery—young people, teachers, war veterans and others—urging this government not to plunge Canada into a war, to give sanctions more time to work, and to give diplomacy more time to work.

The minister knows that today some 2,000 high school and university students felt so strongly on this question that they demonstrated, peacefully, outside the minister's office.

How can the minister defend the policy of this government which could conceivably, within a matter of literally hours at this point, involve Canadian troops in a military offensive, no longer in the enforcement of sanctions but in a military offensive, in a war, the consequences of which would be absolutely devastating?

The minister has talked about what is happening to Kuwait now. Of course what is happening in Kuwait is very destructive, but what on earth would happen to Kuwait in the event of a war? It would mean the death of tens of thousands of Kuwaitis, the destruction of the environment, and the rise of Iran and Syria as the key players in that area.

Will the minister not recognize that the people of British Columbia, and the people of Vancouver Centre, are fundamentally opposed to our involvement in a war and want to give peace a chance? Will she not stand in her place, accept that, and speak out against the madness of war?

Ms. Campbell (Vancouver Centre): Mr. Speaker, as the daughter of two war veterans I do not have to be told about the horrors of war. I am deeply concerned about it and I share the concern of many people in British Columbia. Equally, there are many people in British Columbia who have indicated their strong support for the stand the government is taking. The difficult judgment that has to be made is what is the more costly route. It is true that war is a frightening possibility.

• (2100)

I would be curious to know whether it is the position of the New Democratic Party that the countries of the world should not have gone in to stop Iraq from going into Saudi Arabia because that, in fact, was the key action which has involved the international community. It was the decision of the international community that Iraqi aggression had to be stopped, and it could only be stopped by force. Calling Saddam Hussein and asking him kindly not to go into Saudi Arabia was not terribly effective. Neither in fact, have been the implications of world statesmen who claim to know and to have had a good relationship with Saddam Hussein.

No one perhaps has a better moral claim to Saddam Hussein's ear than Perez de Cuellar, who was so instrumental in helping to disengage the war between Iraq and Iran. It is obviously one of the great defeats and tragedies of his career that he has been unable to encourage or to convince Saddam Hussein to step back.

Once the decision of the international community was made to stop that aggression, we had taken an irrevocable step, and the question is where do we go from there? I would suggest that in this case there is no ideal solution. Establishing the rule of law and establishing peace is sometimes messy. Those young people who demonstrated in my riding today, and the young people who demonstrate everywhere, do so because a lot of young Canadians and other people were prepared to pay a very significant price to deter aggression. Sometimes force has to be exerted.

It has been an agonizing few weeks for the Government of Canada in trying to make those judgments. We are of the view, as are most of the countries of the western industrialized world, that sanctions will not only not work but that they are imposing a terrible, terrible cost on the world's poor, that they are increasing the destabilization of the Middle East, and that the ultimatum presented by the nations of the United Nations was in fact a reasonable notice to Saddam Hussein that his aggression would not be tolerated, would not be sustained, and would not be condoned by the world.

I would like to know if it is in fact the policy of the New Democratic Party that the world should not have gone in to stop the expansion of Saddam Hussein. I can find nothing to recommend him as a world leader. I can find nothing to recommend him as a liberator of Kuwait or any other country. I think that the international community was quite right in going in to stop him.

What is being suggested is that somehow that action could be taken with no further implications and that is not the reality. The world community has to determine what is the best way to resolve this situation, not what is the perfect way, but in a very imperfect world and faced with a series of very unattractive options, what is the one way that has the best chance of defending and supporting the principles of international order?

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, we are debating government motion No. 27 which states "that this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait". The government members who are speaking are not addressing the intent of the motion, especially the ministers. The minister did not answer the questions posed by the hon. member for Eglinton—Lawrence. I ask her again; What does the government hope to achieve by having this motion passed in this House? What powers, what authority, what flexibility will this motion give the government that it does not have now?

My second question is, this, and I want it on record; will the minister support the Liberal amendment which adds to the motion of the government "through the continued use of economic sanctions such support to exclude offensive military action by Canada at this time"? The key words are "at this time". We are saying that we may support military action in the future, but not at this time. Could she be very specific in her answer, and not beat around the bush?

Ms. Campbell (Vancouver Centre): Mr. Speaker, constitutionally in Canada, the resolution of this House does not change the power or the Crown prerogative to make the key decisions as to what the mandate of our forces will be and what we will do. This is a motion to express the will of the House, but it is not within the power of this House to make those decisions with respect to the disposition of military forces.

The point I made was that there are two constitutional principles here. One is where the power resides to make those decisions. I think members can understand why it is the prerogative of the Crown because of the kinds of decisions and the speed with which decisions have to be made.

There is also a constitutional provision called ministerial responsibility, the principle of responsible government, whereby the government, having exercised its prerogatives and its powers, nonetheless answers to those and is accountable for them to the House.

That is the purpose of this debate. It is a very serious purpose, because there are many decisions yet to be made. I want to tell the hon. member that the members of the government are listening very seriously to the concerns and views that are being expressed by all members of this House. It is a very important time and I think all of us agree that many of the points raised, for example, by the hon. member for the Yukon, the leader of the NDP, were very well expressed today.

These are questions we have been wrestling with and it was very appropriate for those questions to be put by the hon. member so that the ministers of the Crown could respond to them. What we have tried to do, in keeping with our particular responsibilities, is to put before the House the reasons and the rationale for the government's position.

As Minister of Justice, I wanted to clarify some of the underlying legal principles which guide us and I took the opportunity to talk about some of the other aspects as well.

This is a very important debate. It does not rewrite the Constitution, but it is part of the very important constitutional principle of responsible government whereby government exercises its prerogatives but in consultation with, accountable to, and answerable to Parliament.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the Minister of Justice may have inadvertently given away the secret, if you like, of the reality that the government is asking us to accept. In citing the consensus out of which the government is operating, she referred finally, not only or specifically, to the United Nations, but to the western industrialized world, and the conclusions that world has drawn about what should be done in the Middle East with respect to the Iraqi invasion and annexation of Kuwait which we all condemn but on which we are going to disagree with each other tonight about how we deal with that invasion and annexation.

I say that I hope that in my comments this evening that I might in some way or another faithfully reflect what I believe to be the legitimate ambiguity and agonizing that Canadians of all walks of life have been going through, particularly in the last week as they saw January 15 approaching. This is a feeling I think that can best be described as having that sense of responsibility that Canadians have toward the world community and toward the maintenance of international law and order, having that sense of responsibility called upon by the government, feeling the tug of that training and of that ethic which is a good ethic, but nevertheless feeling that somehow they are being led down the garden path, that somehow their principles are being exploited, that they are being taken advantage of, and that their beliefs are being applied in a context which does not really deserve the full application of that responsibility.

I want to begin with some of the things that the Secretary of State for External Affairs said because I had something to do with the Secretary of State for External Affairs when I was the external affairs critic for my party in the summer when the Iraqi invasion first occurred.

• (2110)

The speech of the minister was at times a very eloquent appeal for unity. At other times, it descended into what I would regard as partisan politics and caricaturing of opposing arguments. But I ask the Secretary of State for External Affairs, if he was interested in building a Canadian consensus about how Canada ought to respond to this particular event, why he did not do that on August 2. Why did Canadians, and particularly Canadian members of Parliament, have to hear about the decision to send Canadian ships to the gulf from the Secretary of State for External Affairs coming out of a NATO foreign ministers' meeting?

Why could that decision not have been made, if indeed that was the decision to be made, after consultation with Canadian members of Parliament, with the Canadian external affairs committee, with his counterparts in the House of Commons, or with anybody here in Canada who had a political responsibility? That did not happen.

I met with the Secretary of State for External Affairs early that week after the invasion and had a fairly long conversation with him. I had no inkling. No impression was given whatsoever, in fact quite the contrary, that Canada by the end of the week would be sending ships to the gulf.

I say to the Secretary of State for External Affairs that to come to us now and ask us for uncritical support at the conclusion of a process that time and time again he bungled by not taking Canadian parliamentarians seriously is the height of nerve. It is the height of nerve also when the fact is considered that time after time Parliament was asked to approve things after the fact, somewhat in the way the UN was constantly asked to approve things after decisions had already been taken in Washington or in Ottawa.

The Minister of Justice referred to the need to deter an invasion of Saudi Arabia. That was happening in the context of the bilateral relationship between the United States and Saudi Arabia. Announcing in August that Canadian ships would be sent to the gulf and be there by

the end of September was hardly the thing that deterred Saddam Hussein from continuing on to invade Saudi Arabia.

The ships went on, as you know, Mr. Speaker, to become part of the UN legitimized enforcement of sanctions, but that again was after the fact. The ships were on their way and the government was saved from the embarrassment of having to make that decision and having it stand as a decision taken outside the legitimacy of the UN by the fact that the resolution was passed after it had sent the ships.

All the way along, the Secretary of State of External Affairs and the Prime Minister who now come to us with very high flown rhetoric about the United Nations persisted in doing things before the UN had legitimized them and even indicated on occasion that they were willing to go all the way with Washington whether or not there was UN approval of any military action in Iraq to get Iraq out of Kuwait. It rings just a little hollow for the Secretary of State for External Affairs to get up and talk the way he has to us about his great respect for the United Nations.

On the question of sanctions, I was very distressed to hear the Secretary of State for External Affairs go on the way he did caricaturing the argument, the debate, which we are having in this House as an argument between those who simply want to talk and wait, and those on the government side who want to act. We maintain that sanctions are a form of action.

Some hon. members: Hear, hear.

Mr. Blaikie: Sanctions permitted to work are indeed the kind of action that is required and not an easy action. There are many legitimate worries—I accept that—about whether or not the multinational sanction effort would hold together. There are legitimate worries, but a much tougher course of action and a lovely precedent that could have been set if we had worked together as a world to say: "We are not going to solve our problems by war, but by God, we are going to solve them through the determined application of economic sanctions until such time as every country in the world knows it cannot step out of line or it will meet this same kind of determined isolation."

That is the precedent that we would have liked to seen set in this new post-cold war order that everybody is talking about so much. Not a precedent that the first time a crisis arises that we say: "Well, we tried sanctions for a couple of months. It didn't work. Let's get down to the business of war." It is caricaturing sanctions as talk, as waiting, as non-action.

It is a funny thing to hear from a minister of external affairs who has spent his entire career as the Secretary of State for External Affairs going around imploring people to bring about voluntary—not mandatory or comprehensive, but voluntary—sanctions against South Africa, and to give those sanctions time because they are working.

Indeed, the minister claims that they have worked and has said to the ANC and others: "No violence. Let sanctions work, and work and work." Now, we cannot even wait three months or six months, whatever the case may be, in order to try to solve what is obviously a very difficult problem without bringing on the conflagration that may indeed be brought on in less than three hours from now.

It is very difficult indeed for us and, I think, for a great many other Canadians to listen to this debasement of the sanction alternative, something which the minister himself has been such a great fan of with respect to South Africa.

The Minister of Justice, with respect to other things that have been said by the government today, and the Prime Minister and others, liked to make much of the analogy with the 1930s. I do not accept that this is analogous to the 1930s. I think we are in a new situation and I want to say more about that in a little while.

But the one thing I would say to the Minister of Justice about the 1930s, the one thing that is similar, is that in the 1930s the western industrialized democratic world did not do anything to help democratic Spain when it was under attack by fascism. Instead, it made money off the war effort and finally had to deal with the monster that it had created through its inaction.

If the Minister of Justice and the Secretary of External Affairs were to get up and say that that is a parallel with the 1930s that they see in their own actions with respect to Iraq and the arms trade there and the way in which we have created these monsters in the Middle East through our own participation in the arms trade, then maybe they would have a little more credibility when they stand up and ask us to accept their arguments.

Some hon. members: Hear, hear.

Mr. Blaikie: Mr. Speaker, the government has said a lot about the United Nations. Ever since the response to the Iraqi invasion of Kuwait, people have been pointing out the selectivity of the international outrage with respect to it. Everyone has their favourite previous event with which they want to contrast the outrage of the international community this time with the acquiescence of the international community in previous events, whether it be the Chinese invasion of Tibet, the Indonesian invasion of East Timor, or whatever the case may be.

All these things are helpful in so far as they point out the layer upon layer of hypocrisy that attends international affairs. But I agree with the government that we cannot achieve anything by simply telling old stories and pointing fingers at old culprits. We are in a new situation.

The United Nations post-1989, post cold war, post Berlin Wall coming down, is indeed a new United Nations. It is not fair to compare what the United Nations did not do in the past with what the United Nations may be doing now because we are in an entirely new situation. The question becomes not: "Why didn't the UN do this before?" That just goes to show how hypocritical and selective they are here now. The question becomes: "What is the appropriate action to take now in this new context?"

• (2120)

I will tell you what my greatest fear is for this new United Nations. It relates to the comment made by the Minister of Justice when she spoke about the western industrialized world. My greatest fear for this new United Nations is that it may go from a United Nations which was paralysed by the cold war and which could not do anything to a United Nations which, now that the north-north conflict is over—the north-north conflict that we called the east-west conflict—that is an opportunity for that new, united, or growing more united, north to turn its attention to its own collective self-interest in a way that will set the industrialized north increasingly against the south, increasingly against the Third World.

If we put aside the character of Saddam Hussein and all the evil things that he has done in Iraq and Kuwait, it is not impossible to see him as symbolic of a Third World reality that is saying to the western industrialized world: "We don't want to have the world run by the club that Canada belongs to any more. We want the club to be widened. We want more decisions to be made, for example, at international peace conferences to deal with the Middle East and in other international fora. We do not accept that the western industrialized world has any more the right to presume that its interests are what can compel the world to go to war."

That is the nagging doubt that I have about this new world order about which I had a great many hopes not just so long ago.

What we are seeing here, for all its warts on both sides, is a foreshadowing of a world increasingly divided between the haves and the have-nots. Saddam Hussein is a have-not with a significant army. This country is not part of the ruling club, if you like, and has set out on a path which I reject.

But I think there has to be a form of negotiation. There has to be a form of taking into account these realities that I am pointing to and war will not be the answer. War will only lead to the creation of new problems, new Saddam Hussein's, and new brutal regimes that arise out of the ashes, certainly not democratic regimes. That is one of the things that the government does not seem to be taking into account.

I say out of the ashes, and I know others will speak about this, but we also need to take into account the ecological dimension of this war. This may be indeed the same kind of war that we refused to fight in Europe for the last 45 years because the consequences were too terrible to contemplate. They were worse than the problem that the war was intended to solve. When we take into account the ecological dimension of this war, it may indeed be that we are faced with that same kind of very difficult choice. The choice that we have made in the New Democratic Party is that we do not want Canada to be part of initiating any such conflict.

The government says that the credibility of the United Nations is on the line, but it is a credibility cornered by the actions of the U.S. administration in sending so many troops to the Gulf, the amount of troops and resources that could only have been sent with the idea that there was going to be an invasion of Kuwait and Iraq, regardless of whether or not there was any UN acceptance of that.

We now find ourselves in a position that we are put in, not by the UN, but by the Bush administration. It went out on a limb, so to speak, and now wants the UN and all of us to save it by saying: "Yes, you gambled. You put all those troops in there. Now you don't know what to do with them. And now you want our backing in order to follow through with what you think is the only course of action left to you that will save your face." That is, Mr. Bush's face.

We need to get over this world in which it becomes so easy to caricature nations and leaders according to whether or not they serve our interests. I am tired of a world in which one day somebody is a good guy, the next day he is a bad guy, and the next day he is a good guy again. It all depends on whether or not he is doing what Washington, generally speaking, wants him to do. We need to get over that and we need to do that by demonstrating in this case that we are committed to peaceful solutions to very difficult problems.

With that in mind, I would like to move an amendment to the amendment. There has been a lot of negotiation about this amendment, as you might have guessed, Mr. Speaker, as to what might be regarded as in order, and as to what might not be regarded as in order. Therefore, I move:

> That the amendment be amended by deleting all the words after the word "sanctions" and substituting the following:
>
> "such support to exclude the involvement by Canada in a military attack on Iraq or Iraqi forces in Kuwait and to encompass diplomatic initiatives, including settlement of border and other disputes, through UN mediation or the International Court of Justice, the promotion of democratization throughout the region, the establishment of a mechanism to reduce the arms trade and to eliminate weapons of mass destruction, and the convening of an international peace conference to discuss all outstanding Middle East issues.

Some hon. members: Hear, hear.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair will take into consideration the hon. member for Winnipeg Transcona's motion, even though it has some *prima facie* reservations about the acceptability of such a motion. In any event, the Chair will certainly be in a position to come up with a final ruling about the acceptability of the amendment to the amendment.

Questions and comments. I recognize the hon. member for Portneuf.

Mr. Marc Ferland (Portneuf): Mr. Speaker, I have a question for my colleague from Winnipeg Transcona. He said that Canada should not get involved in any violent action in the Middle East at the present time. I can understand that. He says that on the contrary, we should attempt to negotiate new alternatives to avoid any possible confrontation now that we are at three hours, or rather two hours and half now, from the deadline to see what will happen or what Mr. Hussein might decide at the other end of the phone line.

Nevertheless, I would like my colleague to explain to me why Canada should not participate in such action since, for the last 45 years, we have made every effort to get the two superpowers to recognize that there are, on this place called Earth, middle powers of which Canada, England, France and Australia are part. Those middle powers, now together in the Middle East, are saying to Mr. Hussein that it is time to get with it. We have just ended 45 years of cold war. No more wars. After 167 days, a dozen resolutions from the United Nations and a near refusal to meet with the Secretary General, Perez de Cuellar, we are told again tonight: "Be patient; give sanctions time to have an effect if you want things to come about."

• (2130)

In the meantime, I want to recall to my colleague that people have been suffering steadily for 168 days in the Middle East. And Mr. Hussein doesn't give any sign, none at all, that he intends to go back home and to respect the fundamental international law that we want to enforce as of now.

I would like my collegue to answer the question I just asked him, and to throw some light on the points I raised.

[*English*]

Mr. Blaikie: Mr. Speaker, I thank the hon. member for his question. There are two things I would like to say. He referred to the last 45 years and said that we have just come out of a cold war and really do not appreciate the

fact that this peace is now being upset by the situation in Iraq and Kuwait. I can relate to that. I am not very happy about it either.

But let us take into account, as I said before, that there was a time stretching over 40 years when there was a war that we were not willing to fight for the liberation of Czechoslovakia, Poland, Hungary, East Germany, Bulgaria, Romania, or Albania, because the consequences of that war were too horrible to contemplate.

What we are saying is that the consequences of this war may indeed be too horrible to contemplate. The difference is that those missiles are not pointed at us this time. Are we simply saying that we are willing to contemplate horrible wars as long as they do not affect us directly? If the horror of a war is something which has to be taken into account when we decide whether or not to enter into a state of war then I ask the hon. member to consider that these people whose suffering he is concerned about—and I believe him when he says that—may indeed suffer ten times more as a result of any war that might be initiated in that area that led to nuclear explosions or chemical warfare, or even the devastating effects of conventional weapons as they have come to be.

While I am on that theme of suffering which the member raises, let me say that the concern the government claims it has about the suffering of the Third World as a result of high oil prices really strains credibility. It especially strains credibility when you realize that we had to listen to this time and time again coming from the Secretary of State for External Affairs who has been responsible for two years of decrease in Canada's foreign aid, who is responsible for Canada's adherence to the structural adjustment programs of the IMF and the World Bank, a program which is starving children all around the world in order to save the banks, and when we know that the western industrialized world has never had any qualms about decreasing commodity prices in order to benefit its own economy and whether that plunged the economies of Zambia or Chile or other commodity-producing countries into absolute chaos, political instability and starvation.

Mr. Harvey (Edmonton East): That's okay. That's the market.

Mr. Blaikie: That is the market, Mr. Speaker. If people die because of the market, well that is just the invisible hand of Adam Smith working its wonderful way in the world. Really, Mr. Speaker, you just cannot believe some of the things you hear in this place.

Some hon. members: Hear, hear.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I wanted to comment on the hon. member's reference to my own comments on the western industrialized world and the suggestion he made that somehow Saddam Hussein is striking a blow for those who do not believe that those who belong to the club that Canada belongs to should run the world.

I think it is important to correct the impression that he has left that somehow—and I certainly had no intention of leaving the impression—only the western industrialized world was interested in this. We have, as a result of our wealth and well-being, some capabilities to do things in the world that other countries do not have, but I would point out that there are 31 countries in the gulf supporting the sanctions against Iraq and that those countries that are most dedicated to beating Iraqi aggression back are not members of the western industrialized world. I mentioned those countries in a different context and whatever the hon. member wishes to say, it is true that poor Third World countries are suffering.

One of the problems of the history of the United Nations is that the General Assembly, where countries of the Third World have considerable clout as a result of their numbers, has never been able to be matched by the kind of will that required the approval of the Security Council because of the cold war. We are now in a position where those countries which have the wherewithal to back up the resolutions of the United Nations are now in a position to do so and I point out that Canada, although number 31 in world population, provides 25 per cent of United Nations resources. Therefore, when I talk about the countries of the western industrialized world, I am talking about the democracies and those countries which have the capability to put some clout into the UN's decisions.

There are many countries that want that action but are not in a position to do it. I think that it is a totally misleading perception to suggest that somehow those countries which support the United Nations in this effort

are not representative of all countries of the world. In fact, the Third World countries are very well represented. I do not have it handy but I have seen a chart which indicates all the countries which are involved in the gulf. It is an enormous range of countries, including many which have, probably for the first time in their history, had the opportunity to engage in a collective security operation.

Mr. Blaikie: Mr. Speaker, I simply repeat my point that if the Minister of Justice, the Secretary of State for External Affairs and this government are as concerned as they say they are about the well-being of children and others in the Third World, then what they should decide to do is to take on the international economic order which dictates that children will die by the hundreds and thousands while we are debating this motion because we are not able to change the international economic system which dictates that they must die in order to satisfy certain sacred doctrines of the marketplace.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, I think I speak for all members of this House when I say that the act of aggression perpetrated by Iraq against Kuwait is particularly appalling and deplorable. It is even more disgraceful because of the fact that it is an aggression not only against a small country, but also against peace, against the creation of a world order, and against the dreams and peace efforts of all men and women all over the world.

The world is now plunged into a situation where on both sides of this House, whatever our views on the conduct of public and private affairs may be, people will have to take sides for or against war, for or against peace.

Once again, democracies are put to the test. Here is this dictator who is willing to give up everything, who does not believe in anything, who is willing to expose his people to the worst insults, tempting democracy and confronting it with its responsibilities with regard to peace and war. We know full well that peace and war are not alike, yet they are so close.

Tonight, as we speak, it is a very thin line that separates peace and war, but at the same time, there is a huge gap between those who are in favour of the war and those who think that we must give peace another chance. I do not think it is appropriate to judge anybody's intentions. It is easy to understand the impatience of some people as a result of the events that have occurred over the last few months. It is easy to understand the indignation felt by those who do not accept—and I think it is everybody—the way truth, justice, peace and democracy are being treated.

That being said, since we are parliamentarians, since people expect us to make decisions, we have to take one side or the other.

• (2140)

First, let me say, however ironic this may sound, that something positive has come out of this whole situation. During the recent events, we have seen the growth of the United Nations. A new world order has evolved from the show of solidarity for the United Nations, this important, powerful, and prestigious organization that can still look frail at times. Many people still remember today what happened to the League of Nations in the thirties, after World War I and the Treaty of Versailles.

We know how frail the United Nations is. We know it is our responsability to do everything we can, not only to preserve the UN, its prestige, its responsibilies, and its moral authority, but also to help it grow and strenghten. The UN passed 12 resolutions during recent months leading to this debate tonight. These resolutions were meant to further peace, to impose a world order to a government guilty of wrongdoing and to demand the undoing of an unacceptable move.

This government presented a motion purporting to ask this House to support the UN, as if those who are going to vote against it, such as myself were against the UN. Obviously, we are going to vote not against but for the UN. We know full well that Canada, established a reputation by upholding international authority. It does not make sense for Canada to have a diplomatic and foreign policies if they are not based on a strengthening of the works and foundations of the UN.

Respecting the UN is above all respecting its resolutions. We are presented with the UN resolution 678, the

last one adopted in November, and we are told that the Canadian Parliament should support this resolution, congratulate the UN and make it known that the UN is right when it wants this resolution to be implemented.

But this is not the meaning of today's debate. This debate is misleading in two ways, Mr. President, because the resolution presented to us is not the one which was passed. The UN resolution did not ask member states to make war. It said that after a given date, if Iraq had not completely withdrawn from Kuwait, these countries could take all necessary measures to ensure the Iraqi withdrawal. But, the government takes care to tell us that all necessary measures does not mean exclusively war measures and that they include the whole range of enforcement measures. Within that range, before war breaks out, there is room for diplomacy, for dialogue, all the initiatives that a peace-loving nation can imagine and Canada is such a nation.

Canada made its mark in the world. It illustrated its diplomacy with great men, such as Lester B. Pearson in particular. Many references were made to him today. It is true that Mr. Pearson enhanced Canada's stature in the world. It is true that Mr. Pearson, if he were with us today, would tell us: "Let us make a last effort for peace, and let us do it in the name of the United Nations."

The debate has been distorted in two ways, and I said that first because the meaning of the United Nations resolution has been altered. Second, the debate is not what it appears to be. The government is putting a virtuous resolution: Will you vote, yes or no, for virtue? We know very well that it is only appearance. What the government is telling us essentially or what it will want to be able to say after the resolution has been adopted is that the Parliament of Canada authorized the Government of Canada to make war. That is what it will say the day following a yes vote for the resolution.

This morning, Mr. Speaker, the Prime Minister made a speech that looked a lot more like a declaration of war or a speech made before entering the war than a speech by a Prime Minister or a head of government who must first seek the support of the citizens to try an ultimate attempt to save peace. I am sorry to say that I heard nothing in that speech which led us to believe that this government was seeking other alternatives to war and that, unfortunately, this governmenthas resigned itself to war. And I think a government should never resign itself to war until war is declared.

In the debate today, reference was made, especially from the government side, and my colleague from the NDP also just made reference to the World War II, to those horrible years preceding World War II. During which the European democracies submitted themselves, in an appeasement policy, to the fierce appetites of a dictator who was bad—it is difficult to compare dictators as they are all terrible—but a very successful, Hitler. From one demand to another he swallowed whatever was given to him and then asked for more the next day. Today, we judge very severely the statesmen, and political leaders who agreed to deal with Hitler in order to maintain peace.

Indeed, we can make this reference to World War II, but we can also go back to World War I and other wars before that. One wrong after another. In the days preceding the declaration of World War, everybody said in retrospect: The political leaders knew nothing. They acted hastily, feverishly, in the turmoil. They agreed to a war psychosis. They missed opportunities to resolve the small emerging conflict They did not foresee the enormous proportions that the relatively small episodes would take and they are now seen as warmongers. That is why, during the period after World War I, people were reluctant to be hurried into a war and why those same people are now being accused of having been too pacifist and of being less than brave. We must not forget, that the generation in power in European democracies at the time had seen an entire generation of young people, the best and brightest of countries such as Germany, France and Great Britain, mowed down in muddy trenches. They did not want those millions who perished to be followed by more victims in the forties.

Imagine how lucky we are to be able to look back, although I suppose it is rather ironic. In any case, these are things we must consider. We cannot afford to let ourselves be influenced solely by comparisons with the acts of aggression committed during the Second World War, while ignoring what happened before then.

We are perhaps only a few hours away from a war whose duration we do not know and whose negative impact, the loss of lives, we cannot estimate— As I was saying, we are only hours away from the threat of war, and I am sure we would all have liked to be able to rally around the government and support the Canadian position. At a time when Canada is going through a very difficult period and Quebec is trying to find its way with a great deal of difficulty, at a time when Canada's and Quebec's children are about to meet their destiny in the defence of peace, we would have liked to be able to stand

together on the eve of these events. We in the Bloc Québécois would have liked to be able to vote with the government. We would have liked to see the Liberal Party and the New Democratic Party do so as well.

Unfortunately, that cannot be, because the government has decided to depart from Canada's noblest and most admirable tradition, that of seeking peace above all. Looking back over the events of the past months, we do not see a government that is above all concerned with peace. We see a government that is very concerned about Canada's place in the world and about the credibility of its relations with its traditional allies. A government that is very anxious not to be seen as the odd man out. But we are not yet seeing, the courage that should have shown and that we must still show for our great tradition of diplomacy to prevail, that tradition that made Canada loved and famous the world over as a peace-loving country. It is the country that people love and respect and that they want to stand among the concert of nations. What other nations are expecting from us now is the invention, the boldness, the spontaneity, the open-mindness and the courage of a Pearson to try to propose other solutions.

• (2150)

I am not saying that we will devise some inspired solutions. Many ideas are already been set forth everywhere. We know, for example, of the idea of a peace conference. Some may come up with others ideas, but right now, the best idea which has been proposed is that of a commitment to a peace conference. Maybe I am naive, but I find very strange that people are uncomfortable with the idea of a peace conference on the problems of the Middle East, including the question of Iraq, the palestinian problem, and the conflict between Israel and the Arab nations. It seems strange to me, that there are two kinds of resolutions and declarations in the United Nations. There are, on the, one hand, declarations and resolutions which legitimaze the action that some countries are about to take, that is to break out in war, because it is important to respect the United Nations, and it is important to apply immediately the United Nations' declarations and resolutions. On the other hand, other resolutions have been adopted on a regular basis for some 20 years by the United Nations, and again as recently, as last December 20. These resolutions are calling for the implementation, at last, of a negotiation process as applied to the global problems of the Middle East with a view to bringing about peace in the Middle-East, and these go unheeded.

We know that our Israeli friends do not want such a peace conference for the moment. We know that they need to be recognized. We know that they need to sit down with people who do not wish to destroy them. We love the Israelis and, for my part, I love Israel. All my life I have admired Israel. I have thought that this country was one of the greatest epics in contemporary history. All my life, I have seen in Israel destiny, which is confirmed today in this country and which is the one we know, a long and sound loyality to what this country is. Who can be against the loyalty of a nation who wants to assert itself, who wants to be itself? At the same time, I believe our friends also have a commitment to peace, and it is hard to imagine we can some day find a solution to what is happening in the Middle East if, once and for all, we do not cut the Gordian knot. The warring factions, all those who have a difference of opinion, must at last sit down at the same table face the problems, and look for solutions. It cannot be done, as long as we do not recognize the evidence of a problem.

Palestine is a powder keg, and we know full well that Iraq is a small part of this huge tapestry which is casting a pall over peace in that very important region of the world. We know as well that this is the way international and world-wide conflicts erupt. We can see all the ingredients which may combine into an international conflagration from which even the eastern and western worlds might not escape unscathed, quite the contrary.

This is an international obligation. You will say: "Yes, but this conference can be held later, some other day." Sure enough, that is unavoidable, one does not have to be a great prophet to realize that some day there will be a peace conference in the Middle East where all nations will be represented around the table in a successful quest for solutions. I am sure of that. But why should there be

so many people killed before that conference is convened? How many dead Palestinians and Arabs? How many casualties among Israeli men and women? How many casualties among the Americans, French and English? How many casualties among Canadians and Quebecers before people finally accept to sit around the same table, examine the problems, and look for solutions? This is called a peace conference. You might say: Yes, France tried today and yesterday but had to withdraw its proposal plan. Some might say: "Yes, but Canada agrees, because the Prime Minister wrote a letter to Mr. de Cuellar and there was a recent statement from the Security Council". We are all aware that these are nothing but tricks. A policy is something else.

The government claims that it has a policy. Nowhere in the resolution which defines the policy do I see the notion of a peace conference. It would be to the honour of Canada, even if it does not take place tomorrow, to write into a resolution that Canada wants a peace conference, that it wants it now, and not "in due course", a favorite expression among diplomats bankrupt of ideas. "In due course" is an expression which we find in all resolutions. Everybody is well aware that it vaguely means at some later point in time, if ever. We wish we had introduced such a resolution before the NDP did, but what matters is that it was done.

Let us, the Canadian Parliament, on the eve of looming catastrophic events, say in a resolution that we want a conference on peace, and Canada will then rise to the occasion. People will recognize that Canada had and still has the potential to show leadership. No matter who we are or however different our opinions, all of us in Canada, on the government side as well as on ours, want peace. Let us act so it will happen, Mr. Speaker.

I speak for myself and I think for the majority of the Bloc Québécois. Well, it is a free vote and, as you know, we vote freely. We hope for and will support the Canadian government's final attempt for peace, and we will vote for the government's resolution, completed by the Liberal amendment and made better still by the amendment of the New Democratic Party.

Mr. Svend Robinson (Burnaby—Kingsway): Mr. Speaker, I wish to commend the hon. member for his excellent speech, a speech that is clear and courageous. I also want to say that I agree completely with the comments of the hon. member on the importance of an international peace conference.

Indeed, when I was in Iraq, I met several people. In Jordan, I met with the Minister of External Affairs and, in Iraq, I met with Kuwaiti women, Iraqis, and Palestinians, including President Yasser Arafat. I did so because it seemed essential to me to underline the fact that Palestinians are also victims of what happened in Kuwait, and that Palestinians of the occupied territories are also victims. We have several victims. Yesterday, two PLO leaders were added to the list.

A conference was essential before August 2 and it is even more so today. I wish to congratulate the hon. member for pointing out this fact. I know very well that he was going to propose an amendment and I hope that his colleagues will support our amendement if it is found in order.

I also have a question for the member. The member knows very well that last Sunday, there was a very large demonstration in Montreal where more than 6,000 men, women, and children demonstrated for peace and against a catastrophic war. There were several groups. It was organised by the group *Échec à la guerre* and among participants, there were *Artistes pour la paix*, Lorraine Pagé of CEQ, Pierre Paquette of CSN, and several members of the Parti Quebecois. I had the honour to deliver a speech. Unfortunately, there were no representatives from the Bloc Quebecois, the Liberal Party, or the Progressive Conservative Party. Nevertheless, I would like to ask the hon. member whether he agrees with the demands made during this important demonstration? Does he agree with the men, women and children who shouted: "No war for oil. No blood for oil"?

Does he not agree as well that Quebec is also distinct in that a larger proportion of voters is in favour of a peaceful solution, according to polls? It is not a distinct society just from a linguistic point of view. It is also a

distinct society from the point of view of the efforts we should make for peace.

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, I think I can say we all agree about the package of demands presented by the coalition. However, there are nuances. I know that even among the coalition, there are friendly discussions to determine if Canadian troops should be pulled out immediately and permanently. Some think that they should not, and that they must stay there to insure the effectiveness of the embargo and generally speaking, we all agree on the subject. But on the whole, the answer is yes.

Is Quebec a distinct society, since it is more in favour of peace than other peoples? I don't know, Mr. Speaker. I think that all nations of the world are fairly pacific. I believe in fact that the Iraqi people strives for peace, but I do not believe that their leaders would allow it for the moment. I think that we are a pacific society, aware of its responsabilities, but I do not believe that pacifism and respect for peace is the prerogative of Quebec. We were not able to take part in this demonstration because we had a caucus meeting, but we met representatives of the coalition immediately after, and we have been able to exchange ideas. I must say that this encounter has been extremely profitable for us.

• (2200)

Mr. Marcel Prud'homme (Saint–Denis): Mr. Speaker, I have just a simple comment as we have been asked and I know that time is running out fast.

Without beating about the bush and without any qualification, I want to thank the honorable member for the speech he has just delivered. It is a speech which has raised the tone of the debate to a higher level. This has been done without any partisanship and I cannot help being very sensitive to what the honorable member has just said to the House, since for so many years I have thought that one of the questions which should have been included in the international agenda is this Middle East international peace conference. So many murders, and so many tragedies could have been avoided!

We can go back to November 29, 1947, when the United Nations decided to create two separate States in Palestine. I accept this decision my country made on November 29, 1947, to create two separate States, one for the Israelis with the full rights of a state, including protection, recognition, acceptation, provided another State be created for the others.

I can tell you right now that tomorrow or probably the day after tomorrow, I will deal with this issue and I will be highly inspired by the remarks the hon. member had made because he touched upon nearly all the points on which my attention has been focused for the past 25 years. I am very pleased to say that finally—they say that we preach in the desert, but I do not think so. Without any bias in favour of the government or the opposition. The time has come for whoever is really seeking peace over there to address directly all the problems which are only growing more bitter and adding up.

We could easily develop an argument about this and it is the hon. member who gave me the idea when I listened to him very carefully, because if we address all the major problems in the Middle East, we can establish a relation between them and go back to the source of this major injustice which finally will have to come to an end one day at an international conference. I am happy and honoured to have heard the hon. member refer to Mr. Pearson. Personally, I am sorry for all those who came after him. I have always fashioned my parliamentary life on Mr. Pearson's, perhaps because he was Prime Minister the first time I came here.

[*English*]

I always said I was a Pearson boy.

[*Translation*]

In the area of international relations, I have always had the pleasure of identifying with Mr. Pearson and the tribute which the hon. member has just paid him showed, in addition to a lack of partisanship, a true knowledge of the history of this country, something for which I thank him.

Mr. Alex Kindy (Calgary Northeast): Thank you, Mr. Speaker. I also want to support the hon. member for Saint–Denis for what he has just said. I think that the member who made these remarks has put his finger on the essential aspect of the situation which now prevails in

the Middle East, the injustice which has existed there for so many years.

People have asked for an international peace conference. It should have been convened a long time ago. I would suggest that a solution to the problem will remain quite elusive until such a conference is held. I think that Canada, ever a strong advocate of world peace, has the obligation to show leadership in that endeavour. We are not a nation known for invading other countries. The minister's resolution before us this evening would give free rein to the government to join the war in the Middle East.

I think we must first solve the problem of peace in the Middle East by doing justice to the Palestinian people and also to the Israeli people who must have security and feel quite safe within their own borders. Until we find that solution we will be trying to settle these issues by means which indeed are unacceptable to the world community, and I mean war. I want to commend the hon. member for Lac–Saint–Jean for his remarks.

[*English*]

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, tonight Canadians are afraid and they are rightfully afraid, of war. I am afraid of war. My local council sent me a telegram advising that "the council opposes Canada's involvement in a possible Middle East war, as further efforts should be made to bring about a peaceful settlement". The council is not in favour of war.

Mr. Eugene Clawson of Matsquie writes: "Please, please, don't let Canada contribute to a war in the Middle East. Death, destruction, and devastation are the results of war. Peace does not come by force. War will result in dying people. Death is humanly permanent. Death hurts, not only the one dying, but the loved one who remains behind. War will result in people being disabled physically, mentally, psychologically. What on earth could make us contribute to such death and destruction, not only to people from other nations whom we do not know, but people we send to the area to actually wreak such havoc. What is worth the loss and maiming of so many lives? Please don't let loss of life be dedicated by artificially set standards and deadlines. Please let Canada and Canadians be emissaries of peace, not perpetrators of death."

Most of the people in my riding do not want war. They want me to tell you that tonight. I am telling you that on behalf of the people I represent. I was impressed, having read the letter of the Prime Minister to the Secretary–General of the United Nations of January 9. The Prime Minister was speaking for all Canadians. He said: "This is sad news for all of us but we must not give up hope." He concluded by saying: "We should all go the extra mile for peace." The Prime Minister does not want war.

I heard an eloquent speech from the Secretary of State for External Affairs of Canada who has worked tirelessly for peace. He stood here today and told us: "The Secretary of State for External Affairs for Canada does not want war. He wants peace." Every person who has stood in this House of Commons tonight has said: "We don't want war."

The United Nations said it does not want war. Even Saddam Hussein says he does not want war. Yet in less than two hours, we can be going to war. How can you, Madam Speaker, and I, and this government be such terrible failures that we, as politicians of the world, have failed to prevent war. Can the United Nations, which has not been able to bring a just and lasting peace to the Middle East, if we give it a mandate to go to war, bring just and lasting peace to the Middle East through this war? I do not think so.

• (2210)

Last fall we all felt a great euphoria. We felt good because the world was coming together at the United Nations. It was coming together to establish a consensus that could lead to new respect for the rule of law, a new world order and it would find the answer to get Saddam Hussein out of Kuwait. We have never seen the nations of the world come together like that and probably have not had that good feeling since then. These things seemed so positive to us. If the results of the world coming together in a consensus is simply to cause war, is that success or failure? In my eyes, that is not success, that is the failure of the United Nations, as it is our failure.

Since the last great war to end all wars, what a vain and naive hope that man would stop fighting with man, nation with nation, what are the results? We established from those great wars the United Nations, and it is charged with resolving conflict and preventing war. That is what I was taught in school. That is what I believed when I studied the United Nations.

Since the birth of the United Nations it has not found consensus. It has been fight to fight, talk to talk, but very few successes. The Secretary of State for External Affairs said: "Now the United Nations is reborn again because it has consensus". Consensus for what? To fail at imposing sanctions, to fail at diplomacy, and now to find success through force and asking us to mandate them for this force.

From such a brave and positive start last fall, the world pulled together. The reason that it pulled together was because it was were against aggression, violence and force. The United Nations was against violence, force and aggression. How did it move from that position to recommending that a solution to the problem of aggression, violence and force was in fact a more massive scale aggression, violence, force, or war? I cannot believe we could be in that position in less than two hours, and it gives me great, great concern.

As we approach this war, I hear too often when a question is asked: "Well, we don't know what the result will be." That is a fair answer because we do not know what the result will be. We need to try to answer some of those questions with a little more certainty than I think I have heard to date.

What are the objectives that we hope to accomplish by this war? Are the objectives of the multinational force agreed upon as we enter this war? Do they know what they want to accomplish? Yes, they want to accomplish the removal of Iraq from Kuwait. Beyond that, do they want to see the total destruction of the nation of Iraq, the city of Bagdad and all the cities and all the economic development which has occurred there in the flush of the oil crisis of the seventies and the rebirth of technology and opportunity throughout the Middle East? Are we stopping at the borders of Kuwait or are we going in to crush Iraq? Are we going to crush the government or are we going to preserve the government? What are our exact objectives? If one does not know what one's objectives are or where one is going, you do not know when to stop.

We should have a clear understanding of what our objectives are so that when they are accomplished, we will know it is time to stop. If we do not determine the objectives before we enter the war, we will have the passions of war and will not know when to stop. This one kills this one, kills this one, kills this one and there is an escalation of anger. In that escalation of anger there is a loss of a capacity to reason. Before we do it, let us know how far we are going to go, what our objectives are, and, when this is completed, when it is time to stop.

How much will this war cost the Government of Canada? We know what it has cost us to date. How much will it cost us by the time it is finished? How many millions and billions of dollars did we pay for the planes? We did refit those ships. More important are the lives of the Canadians who are there. It is not just the Canadians but the other 500,000 from all of these other countries and the whole arsenal of war of the modern world which sits there, in readiness, to be field tested. How much will it cost every Canadian at the gas pump once the oil fields of the Middle East are on fire and the pipelines are disrupted, not just in Iraq and Kuwait but through the whole region? What will that add just to your dollar cost? That is a simple equation but, has anyone calculated that and added that into the cost of our proceeding into this war?

How many lives will we take before we say "that is enough" and cease firing?

We have decided in this House that we are concerned about the environment. Before this government embarks on any action, it is supposed to have an environmental impact assessment. I wonder, if we took the time, what the environmental impact assessment would indicate. How can we erase the human and environmental degradation caused by chemical, biological, and perhaps even nuclear contamination that could result? This may not be a result but there is no one here who can tell me that it will not be and there are many who have told me it may. How do we erase and repair that damage? How much does it cost, not just in dollars, but how much does it cost the globe on which we live?

Who will go in after it is over to support and heal the people and to rebuild the families, their homes, their businesses and their lives? I wish someone speaking in this debate could give me and those listening to this debate some kind of assurance or answers about these kinds of things.

It is easy to start a war. That is easy. We have all the equipment over there and all you have to say is "go".

• (2220)

Can anyone tell me how, where and when it will be stopped? Will it be a quick kind of efficient killing war? Or is it going to be the kind that drags on week after week after week, the gentlemanly kind of a war where we keep just shooting each other. Everynight on televi-

sion, we will watch the death and destruction live, first hand, and see the people crying and suffering for months and months.

What cost to those who suffer? What cost to my child and your child who watches that on television night after night? We do not even know if we can accomplish the objective. They say we can accomplish an air strike, but once we get down to digging in, and the rainy season and so forth, we are not quite so sure. We think. We are not sure.

Can we accomplish the objective of the removal of Iraq from Kuwait? How many soldiers will it take? How many families? How much property destroyed? Is it 100, 100,000, or one million? How many lemmings are going to have to run off the cliff before we are willing to assess the abyss at the bottom? What is the bottom line on all of this?

I ask everyone listening in the House of Commons and across the nation: Are you willing to sacrifice your son or your daughter for the cause of removing Saddam Hussein? If any one of you vote for that, you are voting for a sacrifice of the families of Canada's young men and women who are there, and you are voting for the sacrifice of millions of others: Americans, British, French, Kuwaitis and Iraqis.

When I ask myself that question, I say: "I do not think I am ready." I have teenage sons, like many here. If I have to sacrifice my son and pay that price, I want to think again. I ask my son, and what does he say? He is a member of the reserves. He says: "Dad, if I am called, I am going." He will. It is pretty scary stuff when it hits that close to home, and we need to make it hit that close to home before we make any decision or before we stop trying to negotiate.

I am not willing at least at this stage—I do not think I ever will be—to commit my sons to a sandy, forgotten grave in the desert. If I am not willing to do that, how can I possibly commit the sons and daughters of other Canadians whom I am charged to represent here?

Timing could well be a factor. How much time is enough? Everybody has been arguing about how much time is enough. Who knows? Nobody knows the answer to that one either.

Before we sanction force, why do we not tighten up the blockade? What have we been waiting for here? Why are we not sanctioning Iraq, Jordan or Turkey into compliance with the land blockade? Canada seems to be doing a good job covering half the people of the interdictions in the ocean in the naval blockade.

If they cannot do the job of enforcing the land blockade, why do we not go in and help them? Why do we not tighten up that blockade? We should have tightened it up after the first month or as soon as we could see that in fact many products were getting through.

One of the speakers said today: "Oh, we cannot do that because the only one who gets hurt are the people. The army does not get hurt". Quite frankly, if I was in Iraq right now and was given a choice, of deprivation of food, and the other amenities of life or a massive bombing by the war machine of the entire western world, I think the choice would be rather easy.

I think that I would choose, of course, to recognize that that suffering is better than the loss of life itself. There are so many things yet to consider.

Madam Speaker, I am sure that you are aware that there is a panic in Canada right now. People are watching their television sets and they are switching from the channels in the United States, to the channels in Canada to the channels that are coming from Britain through their satellites. They are switching to hear the news of the world. They are switching and hoping that on that news they are going to hear somebody say: "We can resolve this without war. There will be no war".

When I talk to my wife on the phone about this, she told me that her stomach was sick and in cramps as she contemplated the horror and realities of this impending war.

I was impressed with many of the speeches today. I was impressed with the speech of the Secretary of State for External Affairs. I was impressed with the calm logic of is the Leader of the New Democratic Party. If that represents different sides, they did not really sound too much different, both of them wanting to prevent war.

Surely we can keep trying. We need to try once more, once more, and then once more again, because the alternative is too terrible to contemplate, let alone to have to vote upon.

If we should continue to fail, and by that I mean if war does proceed, I would hope that our government in Canada would be the first to call for a cease fire almost the moment it begins. I hope they will get that dirty deed over as quickly as possible and get on with the peace settlement as quickly as possible.

Let us be the last there to enter with guns. Let us be the first there to bandage and rebuild that which we have laid to waste. May we all be forgiven for not preventing the massive state sanctioned slaughter.

Mr. Prime Minister, may you go that extra mile for peace today, before the shot is fired, the day after the shot is fired, and on until we have secured peace and security in the Middle East and in the world.

Mr. Ross Harvey (Edmonton East): Madam Speaker, I must commend the hon. member for Fraser Valley West on that thoughtful, compassionate, and passionate speech. I hope it touched the heart of every other member in this House as it indeed touched mine.

I would like very briefly to read excerpts from two brief documents to the member and ask his response to them.

A little more than 50 years ago, on September 8, 1939, in this House, J.S. Woodsworth rose to explain why it was he could not support Canadian participation in the Second World War.

Toward the conclusion of that speech, he related a little anecdote in which he said:

> When the call came for us to come to Ottawa, I was staying at a little summer resort near the international boundary south of Vancouver. Near Blaine there is a peace arch between the two countries. The children gathered their pennies and planted a rose garden, and they held a fine ceremony in which they interchanged national flags and sang songs and that kind of thing; a beautiful incident.

J.S. Woodsworth said:

> I take my place with the children. I know it seems very foolish, but as I talked the other day with a young woman whose proposed marriage was about to be postponed because her perspective husband might be called to the colours— I thought that for her the possibilities of life were fading away. Again I recall a talk the other day in my own city of Winnipeg to a group of young men who came to see me, some of whom have been unemployed for months past, who were wondering whether they should jump at this opportunity of getting a job. I do not care whether you think me an impossible idealist or a dangerous crank, I am going to take my place beside the children and those young people, because it is only as we adopt new policies that this world will be at all a liveable place for our children who follow us.

At my office in Edmonton this afternoon I received a copy of a letter to the Prime Minister. It is from my St. Michael's School. In its brief entirety, it reads: "Dear Prime Minister Brian Mulroney: This is a very serious letter. We just want to let you know that Canada has been famous for being a peacekeeping country, not a warmaking country, and we want to keep our country with peace and not start war. Please keep our soldiers here, don't get Canada involved in the war; besides no one forced Canada to fight so please understand that we are trying to ask as a simple favour. Please Bring Our Canadian Troops back home; don't get Canada involved with the war. We, the grade six class, are writing this on behalf of our whole school." It is thereafter signed by 18 names.

• (2230)

Madam Speaker, I too stand with the children. I ask the hon. member if he does.

Mr. Wenman: Madam Speaker, I think there is some kind of a song that says "let the children lead the way". Sometimes people say "Let the women lead the way, they are for peace", and that sort of thing. Undoubtedly, we do have to look to the children in their innocence.

The hon. member mentioned the great peace arch between Canada and the United States. There are two sides on that peace arch. There is an open door symbolizing the open border between Canada and the United States, two nations which do not even need weapons or guards on their border. You just pass through like an open door, that is what that peace arch stands for. It is a symbol of what the world can be and what national relations can be. On the top of that peace arch, it states "Children of a common mother", meaning children of a common mother of the United States and Canada.

The children of Iraq and the children of the world are the children of a common mother. They are children who need to be protected, cared for and preserved, not bombed, not the most innocent victims of the war. It is the children that are the innocent victims.

On the other side of the peace arch it states "brethren dwelling together in unity". These slogans, which I remember as a younger person sounded a little corny to me, but do they not sound real tonight? Is that not what the world needs, that open door, that peace arch,

between us all? Hopefully, we can attain that. That should be the mandate of the United Nations and of this Parliament.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I commend the hon. member for Fraser Valley West for his excellent speech. He touched the essence of the problem. People today believe that we can find a solution that would be peaceful. We do not have to go to war to find a solution in the Middle East.

For many years there was a proposal to have an international peace conference on the Middle East and some of the nations of the United Nations objected to it. They did not want to accept it. As long as there is not a global solution in the Middle East, I think we will have a powder keg there and war could break out at any time.

I hope that Canada, as a peace loving, nation, will show the world the way as we have done in the past by being peacekeepers instead of initiating war. I hope that some of the government members will vote against the resolution of the government because it is a ticket that allows the government to send our troops into war. I do not think we have exhausted all the possibilities there for peace.

Three weeks ago I was in Washington. I talked to a senator who told me that there are indications that sanctions are working, that Iraq's gross national product has been reduced by 40 per cent. It means that it would be difficult for Iraq to go to war in maybe six months. Let us wait and let the sanctions work. I think they are working.

We need to have an international peace conference on the Middle East at the same time to resolve the problems as they present themselves. I would like to ask the hon. member whether he would agree that there should be an international peace conference on the Middle East once there is an indication of withdrawal from Kuwait by the Iraqis.

Mr. Wenman: Madam Speaker, two questions were posed, the first one on the issue of the vote itself. In the last vote I abstained. I have not yet decided what I will do on the next vote because I believe in the spirit of democracy and parliamentary debate that has brought us here today. I have listened to the partisan and non-partisan speakers. From that I am drawing a conclusion. I think that is what is supposed to happen here. I hope that I did not come here, predetermined, my mind made up and that was all there was to it. Yes, I have an open mind and have not decided what I will do in that case.

I had some hope when the leader of the NDP call for a free vote. She said in her own group there were those who were dissident, who did not agree with her view. I asked who in the NDP will vote with the government. Well, nobody. So the NDP will pass a party vote. I expect the Liberals will pass a party vote, and the Conservatives will pass a party vote, and I am sorry about that. I am sorry that that is the way it has been since I came into this place and I am sorry to probably leave this place and have it the same way.

This place needs to move to non-partisanship. If we can have a free vote on abortion which is about life, on capital punishment which is about life, can we not have a free vote on the millions that will be killed by these kinds of decisions? Everybody calls for it but when the vote comes it will be by party. Unfortunately. I wish that it could be half here, and half here, and half here so we could get a bit of true expression.

The government leader has stated this is government policy so I will have to decide all of these things. I have not yet decided but I would like to see the evolution of our Parliament more in that direction.

A peace conference may or may not be the answer to the Middle East. I used to think that you could add it all up and find some simple solution for the Middle East until the ambassador from Jordan said to me: "Mr. Wenman, what is wrong with the *status quo*? Sometimes that is the best we can achieve?" If that is the best we can achieve, we should try to achieve that.

This war is not going to roll us back to the *status quo*. It is going to be as unstable after the war as it is now. Stability is not an outcome. A peace conference may be useful but certainly if our United Nations means anything it should get on with settling those issues in the Middle East, if not all of them at least some of them.

It is commendable that the NDP member stands up here as he reads the resolution, having new things added to it at the last minute. That is good. We should all do that kind of thing. But that resolution calls for all the problems of the Middle East to be settled at a peace conference. Well, really now.

The intentions of everyone here are good. We have to take those intentions and drive them with energy through the United Nations to another alternative other than war.

Hon. Roy MacLaren (Etobicoke North): Madam Speaker, the understandable tendency in such an important discussion as we are having today is to seek guidance from precedents, from earlier events in our history or in international relations which may in some way help to guide us.

We have had today a number of speakers draw attention to the traditions of Canada in peacekeeping, but others have reached back prior to those post-war years and looked to the inter-war years. The Prime Minister in particular and to a degree the Secretary of State for External Affairs. They argued that support for the United Nations by supporting military action today was in contrast to the ineffectiveness of the League of Nations in the 1930s. The need at that time for military action in their view evaded.

I want to say just one word about that before we turn to more recent events. The fact is that in the 1930s the ineffectiveness of the League of Nations was not simply because the member states of the League of Nations were unwilling to engage in military action against dictatorships intent upon expanding beyond their own borders, but rather because of two factors. The first, of course, is fundamental. The United States was not a member of the League of Nations. The League of Nations in that sense was not universal. That is not the situation today with the United Nations.

• (2240)

The United Nations embodies almost all the nations of the world. The League of Nations was fundamentally flawed and rendered largely ineffective by the absence of the United States resulting from a decision of the United States Senate.

The second argument that the government advanced in its historical parallels was that somehow the unwillingness of the League of Nations to engage in military action rendered it ineffective. It was not in fact an unwillingness to engage in military action which rendered the League of Nations ineffective.

It was not only the absence of the United States from the League, but the unwillingness to give economic sanctions a real chance against the aggression of Italy and Abyssinia, the unwillingness of the British to use the Royal Navy to prevent Italian shipping to reach Abyssinia, and the unwillingness in effect of the League to give economic sanctions a chance. That, should be the parallel drawn today.

It was not an unwillingness on the part of the members of the League to use military force but rather the failure to give economic sanctions the chance they needed to be effective.

The fact is that all of us on each side of this House would agree that the regime in Iraq is a regime that none of us would find attractive or appealing in any way, but that is not our decision. That is not our judgment. The sole judgment is that Iraq has seized the territory of another member state of the United Nations.

It is that question that we are addressing, and it is that question that raises the debate today. Why is Canada on the edge of war? Why is Canada on the edge of declaring itself engaged in war in the Middle East? Certainly, we have not heard the government advance the argument that it is to ensure that international oil prices remain low. It is not to bring about a longer term settlement in the Middle East, however desirable that may be.

The government suggests that it has only one purpose in engaging Canadian forces in the Middle East; that is, to support collective security. It bases its whole argument and rationale for the engagement of Canadian forces on the idea that if Canada and other like minded nations do not provide forces to participate in military action in the gulf, the United Nations will somehow collapse, fail and be rendered impotent.

Let us spend a few minutes on that proposition, because I think it is really the central proposition. In advancing that argument, in the historical sense of saying that if the member nations of the United Nations do not join together in military action, it will mean the collapse of collective security and the negation of everything that Canada, since 1945, has worked for in the United Nations. It will mean the rejection of Canadian goals in Canada's own seeking of that security in collective action.

If that is what the government's argument is based on, then the government perhaps understandably tries to polarize the argument. It says: "Either we engage in

military action today, or the United Nations system collapses." "There is no choice," the government says.

The Secretary of State for External Affairs and the Prime Minister this afternoon offered that stark alternative: Either Canada participates in military action, and supports collective security through the agency of the United Nations or else that post war dream of security through collective action fades and dies.

Those are not the only choices. Why must Canadians think for one moment that we have to choose between either military action or the collapse of the United Nations?

The government narrows the alternatives. It suggests sanctions are ineffective and therefore force is the only remaining alternative. I do not think anyone on either side of this House would dispute that military force may eventually be required. That may be so, but we are far from that situation yet. We are far from a common determination among the member states of the United Nations that the only alternative is the use of military force. We are far, very far from any assurance among member states and among the people of the world that the economic sanctions, the embargo that has been placed on Iraq, have proven to be ineffective.

If we look at United Nations resolution 678, which is the latest resolution in series the Security Council about the situation in the Middle East, Iraq and the gulf, we find that the Security Council decision is somewhat different than that which the government has advanced in support of its argument that military action is now necessary.

First, the Security Council resolution does not address itself to all the members of the United Nations. It addresses itself to "member states co–operating with the Government of Kuwait." Obviously those who drafted the resolution had in mind that there are some states that are not of a mind of co–operating with the Government of Kuwait. Otherwise the text is meaningless.

There are some governments which, by the terms of this resolution, do co–operate with the Government of Kuwait. What are they called upon to do? They are called upon to use "all necessary means" to uphold resolution 660 which called upon Iraq to withdraw from Kuwait. "All necessary means" may well include military means, but it does not mean exclusively military means.

There is a range of others means available to the United Nations and to member states that are co–operating with the Government of and to bring about the implementation of the resolution calling for the withdrawal of Iraq from Kuwait. Then it requests all members states to provide appropriate support, not military support, to those nations which regard themselves as co–operating with the Government of Kuwait.

There is nothing in that resolution and there is nothing in the traditions of the United Nations, where I had the honour of serving for five years in our diplomatic service, that requires Canada to engage in military action. It is a choice. It is a decision for Canada or for any other sovereign member of the United Nations whether or not it chooses to express its opposition to the occupation of Kuwait by Iraq in terms of military action or in terms of other forms of sanction. The Security Council does not say the United Nations is now setting up a military force, and utilizing the military committee of the United Nations to formulate a UN force to operate under the UN flag. Not at all. There is no UN force envisaged.

What is envisaged is that each individual member state, some that regard themselves as co–operating with the Government of Kuwait, will take a decision on whether or not it wishes to give expression to its opposition by military force or other measures following January 15. We shall know in the days ahead what states have come to the conclusion that only military force will achieve the expulsion of Iraq from Kuwait.

• (2250)

That is not a decision that Canada need take. Canada is a sovereign nation able to make its own decisions under the terms of the Security Council resolution. It is perfectly free to continue its support, as I very much agree that it should do, of the economic sanctions.

The question before us, then, is whether in the view of Canadians the economic sanctions have been given time to work or whether now military force is required to bring about the expulsion of Iraq from Kuwait.

The government, in response to our repeated appeal to allow economic sanctions, to work, has indicated repeatedly that sanctions have not worked. "Tell us how sanctions have worked", the government says to the opposition. That is not a question to ask the opposition. That is not a question to ask those who do not form a government. That is a question for the government itself to answer to the Canadian people.

Instead, the government itself is offering to Canadians the sole alternative of going to war, of using military force. It must justify that terrible decision with real evidence that sanctions have not worked. It is the government that should have access to the information about the efficiency of sanctions.

Surely none of us are so naive as to think that the intelligent sources of the major western countries are insufficient to honeycomb the Government of Iraq and with agents or, to put it at the other extreme, that the electronic surveillance of Iraq cannot sufficient to tell us whether the sanctions are working.

The United Nations itself has not come forward yet, as it is required to do under the terms of earlier resolutions of the Security Council and with a clear indication of the efficacy of economic sanctions.

Let us have that information. Let this government bring it forward if that is part of its explanation of why today military force is today necessary. If the government is arguing that economic sanctions are ineffective let it also, bring forward in concert with the other major western nations involved in this enterprise, methods of rendering the economic sanctions more effective.

The extraordinary ingenuity that goes into military action, equipment and organization surely could be applied in some small degree to rendering the borders of Iraq with Jordan and with Iran more or less permeable to sanction breaking material. Let us see how we can use technology and our collective ingenuity, to render the borders of Iraq closed to the imports of material which permits Iraq to continue, as it has been doing, to maintain its arms forces at some degree of readiness.

There is no question in my mind that the sanctions against Iraq could be redoubled, could be rendered far more effective than they are now, if we had a real commitment among member states of the United Nations to make those sanctions more effective rather than turn in effect to the easy solution of direct military intervention. Let us give sanctions time to work. We have, after all, began to see effect of sanctions. We know that they are beginning to work. We know that in four or five months they have begun to take their toll on the ability of the Iraqi armed forces to operate efficiently. We know that they are beginning to have their effect on Iraqi morale, equipment and industrial capacity. Let us give time to sanctions to work because the alternative in my view is virtually unthinkable.

The cliché is often used of unleashing the dogs of war but there is truth, as in all clichés, in that observation. Who knows where we shall be if war breaks out in the Middle East?

France has today offered yet another approach to a solution to the problems that have arisen as a result of Iraq's wholly unprincipled and unacceptable occupation of Kuwait. Among the six points in the latest French proposal are two that we should consider for a moment. One is the forecast of a need for a peacekeeping force. This is an obvious requirement in any situation which is likely to occur in the next weeks or months in Iraq and Kuwait, a need for a peacekeeping force. But is Canada going to participate? Is Canada be acceptable as a member state to engage in peacekeeping if we today commit our forces to military action in the Middle East? No. That traditional opportunity that has been embodied in Canadian policy since the Second World War to offer our forces, our technology, and our organizational capacities to support a peacekeeping force will be negated if we today were to engage in military action. By so doing, we are in effect, rejecting the sort of comprehensive approach that France and others have been urging.

Equally, the government tells us nothing about the idea of a general conference on the Middle East, another major point in the French proposals that have been brought forward in the last 24 hours. Has been much thought given to the idea of a general conference on the Middle East? How can anyone be immune to the idea that the Lebanon situation, the Israeli–Palestinian situation, and now the issue of Iraq and Kuwait can be resolved in other than a general approach to peace throughout the Middle East?

Again, what role is Canada to play in the advancement of a positive and constructive general conference on the Middle East, if we participating in military action?

No, the option for Canada is quite clear. It is not to engage in military action. It is not to convince itself that otherwise the United Nations is going to collapse and that collective security is going to be eroded if we do not engage in military action today. On the contrary, the best route for Canada to take is to engage in economic sanctions, to support our allies and friends in such action, and ensure through their full implementation the resolution of not only the problem between Iraq and Kuwait but of the whole Middle East situation.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, I congratulate the hon. member for Etobicoke North and seek his comment on the following statement made by the Secretary of State for External Affairs. He said: "We should not rule out the possibility that young Canadian soldiers, women and men, will not return to this country for celebrations, but will stay in the gulf for burial". This statement was made in October 1990. It requires only a little observation on the part of those who have expressed their thoughts on this important issue as the hon. member for Etobicoke North has done.

• (2300)

Mr. MacLaren: Madam Speaker, the bankruptcy of the government's approach to the wholly deplorable situation that has arisen in the Middle East is certainly exemplified by the statement which the hon. member for Davenport has just cited.

To conclude in October that there is no alternative for Canada in seeking to support the rule of law in the expulsion of an aggressor from another nation, that there was no alternative but the death of young Canadians, strikes me as the worst form of bankruptcy of international diplomacy. We are far from that situation. We can enforce sanctions. Along with the other nations engaged in the so–called coalition in the Gulf we can double our efforts to insure that they are more effective.

I do not doubt in the absence of any evidence that the government can offer that those sanctions can be more effective, not tomorrow, not the next day, but certainly in the time ahead. It is that route which promises the most effective means of countering the aggression that has taken place and contributing to the eventual resolution of the major issues that continue to dog our efforts to bring about lasting peace in the Middle East.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, let me compliment my good friend and colleague from Etobicoke for his contributions here this evening. His wisdom and years of experience in the diplomatic corp have shown through in the thoughtful presentation he made for us to consider.

We listened to the debate in the United States Senate over the past weekend in some detail, and we heard at some point today what we consider to be the vital national interest. At that time, it was the vital national interest of what the senators in the United States consider to be the national interest of their country.

I think we hedged around it today when the government tried to explain what the vital national interest of Canada is to embark on this catastrophic event of bringing this country to the brink of war, and perhaps within 55 minutes to the actual war. I ask my friend what vital interests are we protecting? In his opinion, what vital Canadian interests are we protecting by this move to which the government is bringing us in such a short period of time?

Mr. MacLaren: Madam Speaker, I thank the hon. member for Thunder Bay—Nipigon for his comment and question. I do not think any of us would dispute that Canada has long had and will continue to have a fundamental national interest in seeing that collective security is the best route to ensure Canadian security. I do not think any of us dispute that.

The question that the government has in effect posed to Canadians is, whether or not military action the only route to ensure that collective security. The answer is, patently, no. There is a spectrum of opportunity that faces the United Nations members and Canadians today to reinforce our collective security by measures other than military.

Resolution 678 of the Security Council does not say that the United Nations decided as of January 15 that military action will take place. It leaves to the member states, that is those member states that are co–operating with the Government of Kuwait, to decide what measures they want to take to implement the resolution calling upon Iraq to withdraw from Kuwait.

At that point it is not the United Nations that is taking the decision about what to do or when to do it. In this instance it is the Government of the United States which apparently is taking the decision that the situation requires military action. The United States, as a member state of the United Nations co-operating with the Government of Kuwait has decided that it is going to embark upon military action.

Because the United States government has apparently so decided, that is no reason why Canada, or Belgium, or Italy, or Argentina need make the same decision. We are sovereign, free to make our own decision how we want to contribute to the removal of Iraq from Kuwait. We can make our decisions about timing and about the method we wish to pursue in our own time and in our own way.

I would urge the government, as was so eloquently expressed by our leader today and indeed our critic for external affairs, to make that decision in terms of economic sanctions and not in terms of military action.

What will happen if we engage in military action in the next days or weeks in the Middle East? I defy anyone to foresee, where we come out of that in a month or two, or six. But I can tell you that if member states pursue economic sanctions vigorously and redouble our efforts to make them effective, the odds are much greater that an effective and satisfactory resolution of the dilemmas of the Middle East will be brought about. Sanctions offer far greater chances, than any military action is likely to result in.

Miss Deborah Grey (Beaver River): Madam Speaker, I would like to thank the hon. member for his speech as well. I would like to ask him a question *vis-à-vis* sanctions.

We have heard reports for the last several days and weeks now about goods and products leaking into Iraq, especially through Iran. I would like to ask the member for Etobicoke North what his feelings are on that. How can we manage to avoid these leaks? We are looking at sanctions and how firm they could and should be, and we then hear reports about borders leaking and that Saddam Hussein is in fact getting many products into his country. I was wondering if the member could comment on that.

As well, could he comment on Resolution 662 by which the UN certainly asks for an early end to this conflict. Could he also comment on Resolution 674 where the UN Security Council is asking for the immediate withdrawal of Iraq from Kuwait.

I was wondering how long these sanctions would be going on. What would the hon. member see as a timeframe for sanctions?

Mr. MacLaren: Madam Speaker, I wish I had access to the information that would permit me to hazard an answer to the member's question, but of course I do not have such information even nor does anyone on this side of the House. It may be that the government's information is limited.

As I said earlier, with the possibilities which electronic surveillance at the one extreme and human surveillance in the more traditional sense at the other extreme offer, I cannot think that it is beyond the wit—I was going to say mankind—of people to devise methods in which the sanctions can be rendered much more effective than they are today. What is lacking is a real commitment to make sanctions work because of the tendency on the part of some nations to use military force, to see military force as the quicker, easier option. But it is an option fraught with danger, fraught with consequences that none of us can you foresee.

• (2310)

Madam Deputy Speaker: I must interrupt the hon. member. The period for question and comments has now expired. Resuming debate, the hon. member for Portneuf.

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, it is not easy for me to rise tonight to give my opinion on a resolution fraught with dire consequences. Often Canadian men and women wonder what kind of person they have elected and they often have the impression their members of Parliament can take decisions because they are not directly involved. I tell them that matter affects me deeply. Very few people know what I am about to say. I have a son who has just turned 20, the only child who survived out of the six my wife and I had. Needless to say the mere fact of discussing a matter that risk getting our

country into a conflict, which sooner or later, could involve the only child we have left moves me greatly.

However, when I decided to run in politics, I also accepted the challenge of making decisions, decisions that are not always easy to make, that often have important ramifications, but that must first and foremost be absolutely fundamental to the future of our country.

We should remember, that at the end of the last World War, Canada was considered as having a very important national defence. Indeed, the Canadian Navy was the third best in the world with almost 400 ships and three aircraft carriers. Our country was important for its national defense and for world-wide security. However, Canada quickly realized that the two superpowers of the day—the United States and the U.S.S.R.—were becoming more and more important and were depriving lesser countries such as France, Great Britain, Australia, Canada, and others of more and more say in international decision-making.

That is why Canada put so much effort in founding an organization called NATO, and it succeeded through contacts and relations it had with various countries in influencing the charter of that organization. It also helped set up the defence of the North American continent. Canada knew that it was caught anyway in the firing line between two large powers, the United States to the South and the USSR to the North.

During the 1970s, Canada reflected on its situation. Everybody remembers the October missile crisis when on one side Mr. Khrushchev had the option of pushing a button and on the other side Mr. Kennedy had the option to do the same. At that time, Canada realized that in spite of the United Nations Organisation which existed at that time, and in spite of NATO, NORAD and the Commonwealth which existed and to whom it belonged, something was missing.

Smaller countries did not have much influence on these two giants. That was when Canada started to work very hard with European countries, several NATO members and some countries from Eastern Europe to establish an organization called the Commission on Security and Control. This Commission was set up to find security and control measures that would protect the various States from one another, and ensure that no neighbouring country would invade them.

Canada became renowned within the CSCE, particularly for its work on human rights. Our country firmly and vigorously fought for freedom of movement. We argued that any citizen of one country had the right to move from one country to another without any difficulties or too much red tape. That is what Canada has worked for.

Canada ranks seventh in the world as an economic power while ranking 31st in terms of population. But Canada is fourth in terms of its economic contribution to the UN. Why? Because for 45 years, Canada has been a firm believer in international authority, in an international forum that would be capable of setting landmarks for nations, rules that are acceptable to all democratic nations on this planet so that we can live together on this speck of dust that travels the universe, our planet Earth.

Many of my colleagues spoke of environmental matters. Environment is indeed important. It seems that our climate is warming up and that there are many more problems. The UN should be able to take action and be effective at some point in time. After 45 long years, this day has come.

I felt it was a miracle to see the five countries which had a veto refusing to use it for once. There must not be two blocks any more, the good and the bad, whites and blacks. We have to sit down and work together in a reasonable way to find peaceful solutions. Almost at the same time, a country which had just ended an eight-year-long war with its neighbour, a war that cost nearly one million human lives and during which nearly 40 000 persons were burned and thousands of others were killed by the use of all kinds of toxic gas, decided to attack Kuwait. He moved into that small country. Of course, that country may not have been as democratically advanced as we are, but the process of democratization was under way. It is a country which was moving in the right direction, which wanted to give its citizens more autonomy, more social justice. He invaded that country.

It is a country which had never done any harm to Iraq. But Mr. Hussein, on behalf of his people, decided to invade it. I do not hold a grudge against the Iraqi people because they do not know what is really going on. It has no information whatsoever. Mr. Hussein and his entourage, Iraq's leaders, control the information to their people. If his people knew exactly the ins and outs of the

present situation, Mr. Hussein would already be out of Kuwait. He would have gone out rapidly. If Mr. Hussein had informed his people about the risks involved in the invasion of Kuwait, he would never had invaded that country, never. Would we be here debating? I am not so sure. Must Canada use force if necessary? Some have asked if Canada had the right to declare war. Canada has been in a state of war for several months already. When this House agreed to support the UN measures, when we agreed to send our ships in the Persian Gulf, to send our aircrafts to protect them, when we agreed, as a nation, to support the economic embargo against Iraq, we have put our country to the service of the UN in a state of war. That's the truth.

• (2320)

Last November I was in Qatar and Bahrein. I met with Canadian soldiers who were there, real professionals, men and women of outstanding quality, the best we have in this country, people who are greatly appreciated by the residents of Qatar and Bahrain. Why are Canadians so appreciated over there? Because they are not seen as conquerors and invaders. Quite the contrary, they are considered as friends who come to lend them a hand, who come to help them protect themselves against a man who has attacked a small country like theirs.

This also marks the first time at the UN that people are so united, regardless of religion or language. Never have so many countries, so many different flags, or so many different nationalities formed a common front against a single individual.

Mr. Hussein did all he could to suggest it was a holy war and to rally his own blood brothers. They said: "No, Mr. Hussein, we do not agree with the way you are acting. This is no longer legitimate behaviour on the eve of the 21st century. We want peace in the Middle East. Mr. Hussein, you are leading us to war."

Madam Speaker, the moment a country like Canada decides to get involved in an international organization it has to be fully aware of the fact that it will have to live with its own decisions. This evening we are asking ourselves whether Canada will be compelled to resort to the necessary force. Let me put the question in a different context.

When an individual or a group of individuals goes into a bank or a building and takes hostages, how do we react when we hear about the incident? We call the police. We say: "There are people who took others as hostages, who do not respect our laws. We ask you to do your job, to get them out of there and to free the hostages." That is what we do in Canada. Everybody understands that. People in Canada do not ask themselves: "Are the police going to use their weapons? Could the hostages get injured or killed?" We do not wonder about that. We say: It is normal that the police do their job. We do not ask ourselves if a policeman could get injured or killed. We ask him to do his job, to protect us, because there is someone who does not respect the law in our country.

And when we get to the international level, then we say: No, it is not the same. Well, I tell you that Canadian military people in the Gulf play exactly the same role as a policeman would in Montreal, Toronto or Vancouver. It is a policeman role that our people play over there. It is strictly that. And we say to Hussein: You took people as hostages in Kuwait and you will free them, otherwise we will do it ourselves. Except that the issue is not the same. We are not talking about three or four individuals and we are not using hand guns or small weapons.

Weapons are much bigger today and they are also much more effective. But the issue remains the same. The same reality exists but on a different scale, a monstrous one. The decision we must make as parliamentarians is whether or not we should enforce international laws. I say that we should, Madam Speaker. I think that with all the efforts that Canada has made for the cause of peace over the years, now is the time to act and to show other countries of the world that the UN is a serious concern and that its laws are serious and credible. We cannot shirk our duty and say: "Well, we will see once the hostilities break out". It is now that we must determine our course of action. We must not wait for the problem to come up before acting, but we must be on the spot to prevent it from happening if possible. It has not been possible to anticipate the problem this time, to prevent Mr. Hussein from invading Kuwait. But his action must be stopped. He must withdraw his troops from that country fast.

I understand the people who are demonstrating across Canada the young and, the not so young, people who are worried, who are against war and who came here in the visitors' gallery today to show us they were against war, who were walking up and down with signs that stated: No blood for oil. That's fine. Except that when Saddam Hussein invaded Kuwait, his troops killed babies in their incubators, not breaking open barrels of oil. The women who were raped, were not barrels of oil. The men who were hanged, the hundreds of thousands of people who were herded into the desert, without water and without food, were not barrels of oil but human beings. Is Canada going to sit on its hands? Are we going to do nothing?

Is Canada going to say: Keep up the good work, Mr. Hussein? We have done everything possible and imaginable in the way of diplomatic approaches. We tried to impress him by moving in a huge multinational force something unheard of in the modern history of this planet. He did not budge. It is like talking to a wall. No reaction. The most respected man on this planet, Mr. Perez de Cuellar, the servant of the UN, a born peacemaker who has been working hard all his life to pacify this planet was kept waiting. He kept him waiting in the hall as if he were a beggar. Is that the kind of respect he shows for the UN? How can we hope to convince him? I say there may yet be a possibility to be convinced. We have half an hour left, and I think there are three hours left until midnight in the Pacific, so we may still have three hours left until the deadline.

Maybe we will manage to convince him, maybe at the last minute he will touched by the Holy Spirit who will wake him up and say: "Saddam, you've got to get out. If you don't, you will be responsible for the largest cataclysm ever to happen on earth." I do not despair. I feel I do not have the right, as a representative of this country, as a member of this House elected by people I love, some of whom are presently in the gulf and whose relatives worry and call me. I understand their feelings and tell them that their sons or daughters have made a choice. I never wished that our military personnel be placed in such a situation, but when I met with them, they told me: "Mr. Ferland, don't worry about us, it's our job. We are going to do what we were trained for, but it does not mean we like it and are not scared. We too feel the pain, but we will do our job because world security is what we are here for. We will see to it that the UN commitments are respected and we will make sure that Canada is ably represented in the gulf, that the work to be done will be carried out as expertly as we know how, in a professional manner."

• (2330)

In conclusion, Madam Speaker, let me say that the this was not an easy decision to make, and I did make a decision. It was not easy to make, but I will stand to vote. When the question is put I will vote for the resolution because I think that Canada has to support the United Nations resolution and continue the work that has been accomplished over the past 45 years. Canada is morally bound to be logical with itself and, if need be, to take action.

I am still hopeful, Madam Speaker, that God will inspire Mr. Hussein in the next few hours and make him understand that he must get out of that country.

[*English*]

Mr. Ross Harvey (Edmonton East): Madam Speaker, I have a very brief question for the hon. member. Of the 31 UN member states currently engaged to some degree of other in the imposition of the economic sanctions against Iraq, can the hon. member identify 10 that have betokened their intention to join the United States in offensive action against Iraq, if necessary?

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, I do not have to identify 10 states for the simple and good reason that I do not have to decide for the other States which are currently involved in the Gulf. The issue which is raised here tonight is to know whether or not Canada must fulfil its commitment with the UN. It must stick to its commitments and yes, Canada must carry them out fully.

Mr. Alex Kindy (Calgary North East): Madam Speaker, I was very much interested in the remarks the hon. member has made. He dealt with justice and international law, as well as the fact that Canada must follow the directions of the United Nations, or rather the United States.

What I was most interested in is the fact that for years, more specifically since 1947, the United Nations have had resolutions concerning the Middle East, especially Palestine, Lebanon and Cyprus. Has the hon. member a double standards? Is there justice where there is oil, such as in Kuwait which owns 10 per cent of the world oil reserves but which is not a democracy, compared to Lebanon which was a democracy, with a population of three million and where 600,000 people worked as slaves to support the sheik's high standard of living. It is also a country where the Parliament was abolished three years ago. It was a dictatorship, while Lebanon, which was invaded, was a democracy. Why did they not take action in the case of Lebanon? Why take action in the case of Kuwait?

There is also the case of the Soviet Union which has attacked Lithuania and wants to abolish its duly elected government. Will he also be sending Canadian troops to protect the Lithuanians?

Mr. Marc Ferland (Portneuf): Madam Speaker, I thank my colleague for his excellent question. However, concerning the first part of his question, I must say that I do not agree with him at all when he says that Canada tags along with the U.S. I find it ridiculous that in Canada, parliamentarians continue to make people believe that Canada is always trailing behind the United States. If he had listened carefully to the speech given today by the hon. Joe Clark, the Secretary of State for External Affairs, he would know that Canada has had a great influence on its southern neighbour, convincing him, for once, not to repeat the traditional blocks pattern but to play its rightful role within the United Nations, like all the other countries of the world.

With regard to Lebanon, Lithuania, and all those countries, we could also talk about many others as Czechoslovakia, and Afghanistan. When Lebanon for instance faced those problems, and was invaded, the UN could not do anything at that time because we were in the middle of a cold war. There were two block, two giant powers facing each other. If one said: "I am going in there," the other would say "OK, go ahead, I will go in another area soon but do not come and bother me." The cold war is over and it must not come back.

The reason why it is important for Mr. Hussein to withdraw from Kuwait is that we will be in position from now on to tell the Lithuanians and the Lebanese that we will be there as an international body to help them out of their troubles. That is the role of the UN, the role it will play in the future, a role which Canada has been wishing for that organization for the past 45 years. And I, for one, will not accept that one Saddam Hussein perverts the rules of the game today at the beginning of the year 1991. We are going into the 21st century. I want my son to enjoy the same freedom I have enjoyed myself for 46 years. I want more for him. I want him to live on a planet where life is good everywhere, where people of all colours and creeds can feel free and at home under a democratically elected government. That is what I dream for every country of the world.

[*English*]

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, I want to start by making it absolutely clear that we in the Liberal Party fully support the charter of the United Nations and we fully support the role of the United Nations in preventing and resolving international conflict. We support the United Nations in its peacekeeping and its peacemaking roles. But just because we support the charter, this does not mean that we support every UN resolution and we certainly do not support Security Council resolution 678, which is the resolution which authorizes offensive military action against Iraq in 22 minutes from now.

The reason that we do not support that resolution is that we do not believe, as many others in the world do not believe, that it is the proper time. We maintain, as was pointed out by my leader this morning, that not enough time was given to the working of the economic sanctions, which in themselves were put forward by the United Nations in a Security Council resolution, not enough time for those sanctions to bite, and not enough time for diplomatic initiatives.

For the Prime Minister and the Secretary of State for External Affairs to suggest that we do not support the United Nations simply because we do not support this or any other resolution is total nonsense. There are all sorts of UN resolutions that have not been implemented. There were many cases before the United Nations of aggression against other states which were condemned by the United Nations but for which there never were any economic sanctions or threats of war. My hon. colleague from Calgary just mentioned one of them. Lebanon was invaded by Syria and by Israel and nothing was done.

• (2340)

An hon. member: And Cyprus.

Mr. Allmand: My hon. friend mentions Cyprus and I could mention even cases of the United States in Grenada, Panama, and so on.

When the Prime Minister stands up in his place, as he did this morning, and when the Secretary of State for External Affairs stands up and talks of principle, it rings a bit hollow. It is no wonder the world looks at this with a certain amount of doubt and suspicion. There is a great credibility gap in what is happening at the United Nations with the initiative of the United States.

Nobody believes that guff which is being delivered by the Prime Minister and by the Conservative party that just because we do not support this resolution, we do not support the United Nations. The Liberal Party has supported the United Nations from its very beginning and our former leader, Mr. Pearson, won the Nobel Prize for his innovative work at the United Nations. We support the charter of the United Nations but we do not support every resolution, nor does the Conservative Party. Nor does any government in the world support every resolution passed by the United Nations.

The reason we do not support this resolution 678 is because not enough time has been given to other methods to resolve the conflict. If one reads the charter of the United Nations closely, one will see in chapter 6 and 7, and it makes it very clear in those two chapters of the charter, that military action by the United Nations should only be used after other methods to resolve a conflict have been tried and failed.

The United Nations in the month of August approved of resolution 660 and other resolutions which provided for economic sanctions and military action to support the sanctions. These are now being tried, but they have not been proved to have failed. As a matter of fact there is a lot of evidence to the effect that they are beginning to bite and to bite hard.

I was at the United Nations for five days last week. I spoke to a medical team which had just returned from Iraq and I was told that the medical system in that country is in very bad shape as a result of sanctions. Others have returned from Iraq and will confirm that the Iraqi government is having a difficult time obtaining spare parts for its military equipment and military vehicles, for its aircraft, and for its tanks. The major source of income for Iraq is oil revenues and they are not selling their oil.

I have an article written in *The New York Times* of yesterday, January 14, 1991. The headline of the article is: "Sanctions will bite and soon." In this article the writers refer to a study being carried out at Harvard University in which they have used an economic model to determine the effectiveness of the sanctions. They say that the sanctions are working and will work in a very strong manner. The article states: "Far from inconclusive the evidence suggests that sanctions will begin to bite sometime in the spring or early summer with a high probability of forcing Iraq from Kuwait as early as the fall." It states: "War may resolve the situation more quickly but with unpredictable side effects, including the loss of thousands of American lives."

I pointed to the resolutions of the United Nations in August. These resolutions authorize the sanctions and military action to support the sanctions. I said that if you read chapters 6 and 7 of the charter, it is absolutely clear that you only resort to military action after all other methods to resolve the conflict have failed. If one looks even beyond chapters 6 and 7 of the charter and look, at the preamble and the first chapter, which deals with the purposes of the United Nations, it is very clear that the purpose of the United Nations is to pursue peaceful means in resolving conflict. That is its principal goal. It must make every effort to seek peace through diplomatic and other measures and avoid war.

There certainly is nothing in the charter which would authorize "kicking ass", as the President of the United States suggested. At midnight on January 15, he would have the authority to go over and "kick ass" in Iraq and Kuwait. That did not impress the world and did not impress those who are seeking peaceful solutions to this very difficult situation.

I want to refer to an article by William Pfaff, a syndicated columnist for the *Los Angeles Times*, also on January 14, yesterday morning, in which he examines again whether or not this potential war is justified. In making his analysis, he refers to the moral rules that have been referred to over the centuries for judging whether or not a war is morally justified. He says that trouble begins with the third criterion for a justified war. He says that that is what the great debate in the United States Congress and among the public is about.

> An important part of the allied camp, and of congressional and public opinion in the United States, thinks that sanctions should be given more time to work, that the alternatives to war have not been exhausted. This latter clearly is true.

Of course, that criterion that he refers to for a justified war is that it must be the last resort after all peaceful measures have been exhausted.

William Pfaff asks in his article: "How did the United States get itself into this situation?" He points out that the American ultimatum and the deployment of so many troops, military equipment and forces to the area have placed them in a position now where they feel they cannot withdraw without losing face.

One knows that one of the very basic tenets of negotiation is that the top man does not make ultimatums at the very beginning of the resolution of the conflict. The President of the United States or the President of Iraq never says at the very beginning that this is the ultimatum for solving the crisis, so that neither side can back out, so that there is no door to escape by.

William Pfaff says that the American ultimatums and the deployment of so large an American and international force have created conditions with gross built-in penalties should Washington change course. That is the problem. They have themselves so far committed to war down the road that now they feel they would more or less embarrass themselves to back down. Again, Pfaff analyses that particular policy of the United States. He states:

> That puts the United States in the position of justifying immediate war to redeem its own unconsidered commitments.

But he says: "The critical moral commitment lies here. The Bush administration should never have put the United States into this position. However, it does little good to say that now we are where we are... Intellectual failure, is also a moral issue. Leaders are elected on their claim to know what they are doing. In this case they didn't know what they were doing."

The President of the United States and the administration of the United States, in making those ultimatums and in committing so many troops at an early stage of the situation, put themselves into a position now where they make war almost inevitable and they are trying to justify it after the fact. Unfortunately this government is backing them all the way on that particular effort.

It is true that the Security Council approved resolution 678. It is interesting, when we look at that particular vote, to see that such a wide diversity of countries actually came together in approving that resolution, countries such as the Soviet Union, France, China—

An hon. member: Not China.

Mr. Allmand: My colleague says: "Not China". It abstained. It certainly did not vote against it. It almost passed unanimously. It was not vetoed. There were only two dissenting votes by countries that did not have a veto.

In any case, it is true that they got that approval, but once again the fact that this group of nations approved of that resolution does not mean it is fully in accordance with the United Nations charter.

• (2350)

As my leader pointed out this morning, when we look at the key words in the resolution, it states that the Security Council authorizes member states co-operating with the Government of Kuwait to use all necessary means to uphold and implement Security Council resolution 660 and all subsequent relevant resolutions and to restore international peace and security in the area. It is authorizing member states to do all those things. It is authorizing the United States, Syria, Saudi Arabia, and Egypt as individual states to take what action they believe "all necessary" means, including war, to uphold and implement Security Council resolution 660 and to restore international peace and security in the area.

As we asked in the previous debate, what is meant by the area? Does this mean invading Israel, Lebanon, or Egypt? What does it mean to restore peace and security in the area?

It was a very wide open resolution. We voted against that resolution in this House at that time which would have supported this U.N. resolution because we said that it was too early, that sanctions had not been given enough time, and that diplomatic initiatives had not been given enough time.

I want to make clear that we do not support the actions of Saddam Hussein in his invasion of Kuwait. We voted for the first government resolution early in the fall which condemned that attack on Kuwait and asked the Iraqis to withdraw from Kuwait. We also supported the economic sanctions and the military backup of the economic sanctions. We still support those resolutions and we still condemn Saddam Hussein for his attack on Kuwait, but we do not believe that war is the answer at this time.

Again I get to the major issue which I thought was referred to in a very convincing way by the leader of this party this morning when he said that the resolution which should be before this House, if the government were really being honest with the Canadian people, should be a resolution which determines whether or not we should go to war with the United States against Iraq. That is the question that is to be decided. That is the question that was decided in the U.S. Congress. That is what was debated in the U.S. Congress. They made a decision, a very close split decision, in which both the House of Representatives and the Senate approved supporting the Government of the United States in taking military action against Iraq. That is not what we are debating in this House, but it is what we should be debating.

The resolution that the government put before this House that we support the United Nations, is a very general, vague sort of resolution. It does not say anything. It does not deal with the real issue. The amendment to the resolution that we have put to the House makes it very clear that while we condemn Iraq for its invasion of Kuwait and while we support the economic sanctions, we will not support an offensive war at this time against Iraq. It is too early and the economic sanctions have not been given enough time to take effect and diplomatic initiatives have not been given enough time to work.

One of the nations that supported resolution 678 at the Security Council was France. From my point of view President Mitterrand made very constructive proposals that might resolve this issue. They were rejected out of hand by the United States and Great Britain and it seems by Canada as well, because we have not heard from Canada on that particular point. But they certainly have not come to the defence of Mitterrand and the French proposals.

Again to refer to the charter of the United Nations wherein we are supposed to pursue all diplomatic and all non-military methods before we go to war, we should have given the French proposals at least a chance. The United States and Britain say that they cannot support the French proposals because they link the invasion of Kuwait by Iraq to the Israeli occupation of the West Bank and the Palestinian territories. I think that is unfortunate. I do not accept the point that Saddam Hussein invade Kuwait because he wanted to help the Palestinians. I do not accept that for a minute. The fact of the matter is that part of the difficulties in the Middle East is involved with the situation in the Palestinian occupied territories which have been occupied for a very long time, contrary to UN resolutions, without much being done. On the other side, most Arab states do not recognize Israel which is called for in UN resolutions as well. Wrong on both sides. That has been left outstanding for years and years. There have been no economic sanctions and there has been no suggestion of military action to resolve the situation.

While I do not like the fact that this is linked to the Iraqi invasion of Kuwait, I do believe that the reality of the situation suggests to me that if we want to solve this matter in a peaceful way we should at least pursue President Mitterrand's proposals. We should at least give serious attention to the French proposals. I am saddened by the fact that they were rejected so quickly by the Americans and by the British.

When I listened to the Prime Minister this morning, I thought for a moment I was listening to a new version of Dr. Strangelove. The Prime Minister in analysing the situation said: "Well, it is true that there will be risks if we go to war with the Americans and there will be casualties but, for the sake of principle, it is necessary perhaps that we accept these casualties." What principle, Madam Speaker? What is the principle that Canadians, Americans, and other young men from many countries will die for in this particular situation that could not be resolved by waiting out the sanctions?

If the Prime Minister was living in the 13th or 14th century and he decided to go to war with President Bush, both he and President Bush would have to get on their horses and lead the troops into battle like Henry V did in the Battle of Agincourt and so on.

Some hon. members: That is a good idea.

Mr. Allmand: He would have to put his own life on the line with all the men behind him. But, no, we have a situation where politicians, diplomats and generals decide to go to war and risk the lives of a lot of young men who do not know what the issues are all about while they sit in their comfortable offices in the capitals of the world.

As I listened to the Prime Minister this morning say that there may be a few casualties, I thought this is the new Dr. Strangelove.

I see that my time is coming to an end, but I want to make a final point. War is not a romantic escapade. It means the destruction of many innocent lives and it leaves its scars on families, nations and environments for generations to come.

Everything possible must be done to avoid war. In this case that has not happened. Everything possible has not been pursued. If we really honour the United Nations charter then more effort has to be made in pursuing non-military solutions. It is the government, not the opposition, that does not trust the United Nations.

[*Translation*]

Mrs. Marie Gibeau (Bourassa): Madam Speaker, I would like to ask the hon. member for Notre-Dame-de-Grâce a question. Five and a half months ago, Saddam Hussein invaded Kuwait and that is when the war started, if he wants to use this expression. More recently, former hostages told us that a week before their release fresh eggs were available on the free market in Kuwait and Iraq. Newspapers revealed that military equipment made in Germany would also be delivered to Saddam Hussein in the weeks to come.

Canada has played a key role in the application of sanctions. Navy personnel on board our three ships intercepted almost 1,600 ships, in other words, they have done more than 25 per cent of the work, while accounting for only about 10 per cent of all troops deployed to control sanctions.

A while ago, I heard some opposition members say that we could control all transborder exchanges and material transfers by way of satellites. I want to ask to the member for Notre-Dame-de-Grâce how he sees the problem, what are the means he would propose to control and prevent smuggling going on right now between Iran and Iraq, and how he would protect the borders, between Iran and Iraq and between Syria and Iran, when we have absolutely no right over these territories. We know that these countries have borders that are absolutely impossible to secure completely. We have an extraordinary example of this in the fact that Canada and United States have signed the most perfect treaties to prevent drug circulation between our countries, but our borders are absolutely impossible to control. How would he manage, personally, to do it over there?

Madam Deputy Speaker: I am sorry, but the hon. member will have to wait until a little later today to answer these questions.

It being midnight, pursuant to the order made previously during this sitting, the House stands adjourned until today at two o'clock, pursuant to Standing Order 24(1).

The House adjourned at midnight.

HOUSE OF COMMONS

Wednesday, January 16, 1991

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

PERSIAN GULF CRISIS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, yesterday more than 500 people in Val d'Or took part in the first pacifist demonstration in the area against the war in the Persian Gulf. Demonstrators, most of whom were students, accompanied by teachers, representatives of associations, unions, native communities and the people of Val d'Or quietly walked for three kilometres.

Mr. Speaker, I would like to add that this march for peace in my riding was organized by a first-year student at the Polyvalente Le Carrefour of Val d'Or, 13-year old Tommy Saucier, who has every reason to be proud of this success.

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[*English*]

TEST BAN TREATY

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, since January 7, an important conference has been taking place at the United Nations in New York. This is a special conference to convert the partial test ban treaty into a comprehensive test ban treaty and thereby ban all nuclear tests.

At the present time only underground tests are permitted, but there have been over 1,000 of these tests since 1970, and the number of nuclear weapons increased from 20,000 to 50,000. Unfortunately, the United States and the United Kingdom are opposing this conference and Canada is not supportive. This is hard to understand, since some of the states involved in the Middle East crisis are pressing to develop nuclear weapons and a comprehensive test ban would retard this development.

Before this conference ends on Friday, I would ask the Canadian government to support the continuation of the conference and a comprehensive test ban. Stop the development of nuclear weapons.

* * *

EL SALVADOR

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, at this time of war threat caused by a bloody dictator, the death squads of El Salvador openly claim the right to absolute power.

For 10 days after Christmas, my wife Alice and I, with others, visited El Salvador. We met many unarmed people who are risking their lives to repopulate the rural areas, build a movement for peace in El Salvador, and contest the March 10 national and municipal elections.

One of them, whose father, the rector of the University of El Salvador was assassinated by the death squads in 1980, returned from exile and is running as a candidate for the national assembly.

Two days ago *the Globe and Mail* reported the broadcast by the death squads, claiming to represent "a superior capitalist class (that)—has a duty to exploit—and even exterminate the inferior classes when the benefits of capitalism require such".

I call on the Secretary of State for External Affairs to demand that President Cristiani of El Salvador suppress the death squads.

* * *

PERSIAN GULF CRISIS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the debate we are engaged in now is not an easy one. We are debating the future and whether or not Canada should stand with 30 other nations against the aggression of Iraq.

After hearing the talk in this House of Commons, Canadians have a right to be confused. Perhaps it would be useful if we all asked ourselves some simple questions. Is this a war about Kuwait, Iraq, oil supplies, Texaco's profits, or is it about preventing a global nuclear war?

Can Canada or the world stand the risk of having a holy war waged against Israel, where pilots now are sleeping in their cockpits? Most importantly, can we afford to wait any longer? Each day of sanctions, and not action, is a day that Saddam Hussein digs in deeper, a day he prepares to pollute the environment with crude oil and makes a larger war more inevitable.

Saddam Hussein wants this House to vote against this country supporting the United Nations. I think Canadians should ask themselves exactly why that is.

* * *

LITHUANIA

Mr. John Nunziata (York South—Weston): Mr. Speaker, the world was shocked, saddened and profoundly disappointed by the turn of events last weekend in Lithuania.

The brutal attack on Lithuania's broadcast facilities, resulting in the deaths of 14 people and injuries to 163 others, has raised concerns about the future of *perestroika* and *glasnost* and indeed the future of Soviet leader Mikhail Gorbachev. There are real fears that the Soviet government is losing or has lost control when events of this nature can take place without the apparent knowledge of Mr. Gorbachev and the Soviet leadership.

For the sake of all the people in the Soviet Union, I hope and pray that the savagery we witnessed last weekend will not be repeated. Continued progress toward democratization and economic reform must continue. But it must continue with the historic recognition by the Soviet Union that not all of the constituent republics freely accepted their original participation within that union.

The only way in which peace, stability, prosperity and freedom will come to Lithuania, Latvia and Estonia is for the Soviet Union to recognize fully the principle of self-determination and allow the peoples of those republics to determine their collective futures by democratic means.

[*Translation*]

SUPPORT FOR UNITED NATIONS

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, by invading Kuwait, Iraq provoked the worst international crisis in recent years.

This act of aggression is a genuine challenge to the international community, at a time when the end of superpower rivalry has opened the way to using dialogue and co-operation to resolve international problems and preserve peace and security.

The main issue here, is how we can build and protect a durable new world order.

Saddam Hussein has had 49 days to act on the resolutions taken by the nations of this world.

Our collective security may require the use of force to safeguard order and peace in this world, when all other attempts to reach a solution have failed.

Our support for this resolution, which was adopted by the vast majority of members of the Security Council, where both small and large countries are represented, arises from our commitment to the United Nations as the preferred instrument for maintaining international peace and security.

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[*English*]

INDIAN AFFAIRS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, six months ago the Sureté du Quebec attempted to storm Mohawk barricades at Oka, igniting a summer of native protest and armed response which tarnished Canada's reputation around the world.

When hostilities subsided last September, a $4 million land claim had escalated into a $200 million military action.

It appears that Canada learned nothing from last year's conflict. Continued police harassment of Mohawks at the Kahnawake reserve has led to violence in recent weeks. Yesterday's news that the Quebec government is purchasing three Leopard tanks to use against the Mohawks at Kanesatake has outraged not only Canadians, but also members of the European Parliament who are investigating our human rights record toward aboriginal peoples.

Canadians want to know when the Government of Canada is going to exercise its constitutional jurisdiction and its fiduciary obligation to protect Quebec's natives from the Quebec provincial police. They also want to know if the government is going to permit the SQ to acquire the kind of weapons which will transform them from a police force into a military force.

* * *

[*Translation*]

UNITED NATIONS

Mr. Jean–Marc Robitaille (Terrebonne): Mr. Speaker, today the whole world is holding its breath, faced with the imminent risk of armed conflict in the Persian Gulf. A world that a few months ago had found new hope after the end of the Cold War now faces the difficult task of restoring order and security, after the serious violations of international law by Iraq.

Since the beginning of the crisis, the United Nations has been the preferred instrument of consultations on a world scale, aimed at restoring peace and order by peaceful means. The fact that the nations of this world are prepared to work through the UN, to decide on ways in which peace can be restored, is a sign that there is still hope for a world based on mutual assistance and co–operation.

If we are to build a new world order, the efforts of the United Nations must be successful. The whole world shudders at the spectre of war, but failure to respond to this act of aggression conjures up an even worse spectre, that of a world dominated by misunderstanding and injustice, a world in which our hopes for peace and freedom would be dashed forever.

* * *

• (1410)

[*English*]

PERSIAN GULF CRISIS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, clearly the majority of Canadians believe that Canada should not go to war, that there is still a chance for a peaceful resolution of the gulf crisis. Canadians also believe that our troops should be supported in their present role of enforcing sanctions. Until an impartial study concludes that sanctions have not worked, there is no need to engage in war. Experts tell us that sanctions may require at least 12 months to starve Iraq's economy and its capacity to wage war.

We on the Liberal side therefore believe that we are a long way from the point when a war effort would be required. Should such a time come, such effort should be under the United Nations flag. While the artificial deadline has passed, there is still time for Canada to take initiatives to pursue a peaceful solution. Every day, every hour, every minute counts. It would be a terrible mistake to assume that war is still inevitable.

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PERSIAN GULF CRISIS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, some journalists have been speculating already about the possibility of a draft of young Canadians to participate in a gulf war. Such speculation can only be described as unnecessary and inappropriate fear mongering.

Let us consider the facts. Some 2,000 Canadians are now in the gulf. There are another 83,000 regular and 30,000 reserves in the Canadian Armed Forces, a substantial number of whom have already volunteered for gulf service.

Twenty–five thousand Canadians served in the Korean war. They were all volunteers. Over one million Canadians served in World War II. In 1944, after four years of hostilities, the King government, after a national referendum, instituted conscription and eventually some 13,000 conscriptees went overseas, though not all of these people saw action. Similar numbers exist for World War I and, of course, only volunteers served in the South African war.

We still hope to avert a gulf war. However, there will be no conscription for a gulf war if it comes. No talk or speculation of such is warranted or helpful.

* * *

IRAQ

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the Prime Minister and the Secretary of State for External Affairs inaccurately apply remarks made by the Nobel Peace Prize winner and former Prime Minister Lester B. Pearson. They stated yesterday "that Mr. Pearson always maintained that once talk was over, et cetera. What a careless depiction of his wisdom.

This government did not allow for the exercise of Pearsonian diplomacy. Article 42 of the UN charter clearly states that should the Security Council of the United Nations consider that sanctions have proved to be inadequate, it may take other actions, which are possibly about to occur. Our own government has not offered any proof that sanctions have not worked.

A Harvard University test model on sanctions policies has shown that the likelihood of eventual success from imposing sanctions on Iraq, especially with the current physical enforcement of them by many nations, the 48 per cent of Iraq's Gross National Product would be lost, resulting in an over 85 per cent success rate for the sanctions policy.

The Prime Minister says that war is now our moral duty. What Mr. Pearson actually meant is that our true moral duty is to ensure all avenues contributing toward the de-escalation of tensions are given our utmost support. Give peace a chance.

* * *

PERSIAN GULF CRISIS

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, I rise today to speak to the issue that challenges the world as we know it, the Persian Gulf crisis. It challenges each and every one of us as parliamentarians.

On a global basis the crisis challenges the new international order which we have been so actively attempting to build following the end of the cold war. Also, it fundamentally challenges the role of the United Nations as a key guarantor of that order.

As parliamentarians, the crisis challenges us to go beyond partisan politics. It also challenges us to respect the views and emotions on all sides of this issue. None of us can be said to have all the information and all the answers. Yet, based on what we feel is informative and accurate, we must in the end formulate our opinions and stances.

Irrespective of where we stand, I know that each and every one of us prefers a peaceful resolution of this crisis. Indeed, I personally remain hopeful that peace can still be achieved, and I pray that it will happen.

I would like to take this opportunity to call upon the world leaders to continue their diplomacy and efforts toward a peaceful resolution. No avenues or opportunities can be left unturned.

* * *

[*Translation*]

PERSIAN GULF CRISIS

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, since last August, events in the Persian Gulf have slowly but surely edged towards the fateful deadline of January 15.

The deadline has passed. The government claims that diplomacy has failed, and there is a real possibility that the conflict in the Persian Gulf will turn into a genuine conflagration.

[*English*]

In fact, a war will have catastrophic consequences for the inhabitants of the Persian Gulf region and unimaginable repercussions for international peace and world security.

Has the government considered the human cost of our involvement in such a war? Furthermore, what social programs will be cut to finance Canada's involvement?

The government has failed to provide the leadership which Canadians have come to expect. Instead, it has chosen to follow blindly the Americans into the heart of a conflict, which outcome no one can predict.

Peace and sanctions must be given a chance to work.

ORAL QUESTION PERIOD

[*English*]

PERSIAN GULF CRISIS

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister.

Yesterday in his speech the Prime Minister referred many times to Lester B. Pearson. Well, Mr. Speaker, I knew Mr. Pearson and I think that if he were Prime Minister today he would be working for a peaceful solution to this crisis.

Some hon. members: Hear, hear.

Mr. Chrétien: He would have phoned the American President and urged him not to go to war at this time.

Has the Prime Minister spoken with President Bush since the deadline and, if so, did he urge President Bush not to go to war now?

Some hon. members: Hear, hear.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have to admire my hon. friend for a number of reasons, not the least of which is his capacity to discern what might be in Mr. Pearson's mind today. That is truly a gift and I congratulate him on it.

Mr. Andre: Like Mackenzie King.

Some hon. members: Oh, oh.

Mr. Mulroney: It was the House leader who said Mackenzie King, not I.

But we can only go on the record with the contributions to the cause of peace of Mr. King, Mr. St. Laurent, and Mr. Pearson, all of which were very substantial and which contributed a great deal to establishing the traditions which we are respecting today.

I have been in regular communication with leaders around the world in regard to this important issue. The Secretary of State for External Affairs and I maintain at this very moment the pursuit of all possible alternatives that might give rise to a peaceful solution.

Mr. Gauthier: Like what?

Mr. Mulroney: The House leader for the opposition says: "Like what?" Like, for example, Saddam Hussein saying to the world: "Yes, I will respect for once the call of the world community. Yes, I will give an affirmative answer to the United Nations, thereby placing the world on a course to peace."

The obstruction does not come from France, Canada, the Dutch, or the Senegalese. The problem is with Saddam Hussein and he must say yes.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I put a question to the Prime Minister, and I want a very clear and very simple answer. Since yesterday, did the Prime Minister get in touch with the President of the United States, George Bush, and did he ask Mr. Bush to wait before starting the war and give peace a chance in the Middle East? And, is war the Prime Minister's only alternative?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as the Leader of the Opposition is no doubt aware, we are constantly in touch with our allies on this matter.

As for his suggestion regarding Mr. Pearson, this is what Mr. Pearson said in similar circumstances in the House, on September 4, 1950:

[*English*]

> It has been suggested that we could have made further efforts in regard to mediation and the employment of pacific measures in the Korean dispute. That, of course, as I see it, is not a realistic suggestion. Because, even when it was tried—and it was tried in the earlier days of this dispute—the aggressor treated that suggestion with contempt.

• (1420)

Mr. Pearson was right then. Canada had to act because the aggressor in 1950 treated them with contempt.

Today, Saddam Hussein is treating the world with contempt. Even at this late moment, we ask him, personally and we ask his government—to send a signal to the world that he will comply with the resolution of the United Nations. If he does, he will enable us all to seek and obtain a peaceful solution to this extremely difficult matter.

Some hon. members: Hear. hear.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to tell the Prime Minister that in 1950 the government of the day and Mr. Pearson, as Secretary of State for External Affairs, insisted that the troops going to war in Korea had to be there under the command of the UN and under the UN flag. It was not an American war. It was a United Nations war.

Some hon. members: Hear, hear.

Mr. Chrétien: If the Prime Minister does not want to tell us whether or not he talked with the President of the United States, will he tell us if he has taken any initiative today with the Secretary–General of the United Nations; yesterday he was still making efforts to find a peaceful solution and there should have some discussions with the Secretary–General in order to find a peaceful solution? January 15 was not the date to start the war. We could be in a war position, but we are not yet in a war position. Can peace still have a chance?

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I have two brief comments in response to the Leader of the Opposition, one having to do with the question of a flag.

The Leader of the Opposition invented a false principle, in effect, a falsehood, yesterday with regard to the question of the Canadian flag—

Some hon. members: Oh, oh.

Mr. Clark (Yellowhead): I am sure he did it inadvertently—with regard to the question of the Canadian flag, when he said that Canadian troops never serve except under a UN flag. Does he not know about the multinational force of observers in Sinai where Canada is serving? If he wants to speak symbolically, does he not know about Canada's participation through the years in NATO under the NATO flag? What is at issue is the authority of the United Nations and there is no question at all about the authority of the United Nations being vested under Resolution 678.

With respect to the Secretary–General of the United Nations, the Leader of the Opposition should know, if he was watching the Secretary–General's appeal yesterday, that that appeal reflects very largely the points that were contained in the letter from the Prime Minister of Canada to the Secretary–General of the United Nations, suggesting a negotiating position that might be followed with Saddam Hussein. I tabled that letter in the House of Commons yesterday.

We are encouraging the Secretary–General and others to continue to persevere in those kinds of efforts. But the Prime Minister makes it abundantly clear, and the world knows this—President Mitterrand made it clear for France today—that the person whose response is required is Saddam Hussein.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, my question is directed to the Prime Minister. The majority of Canadian men and women are opposed to the government's actions in the gulf crisis. They ask that economic sanctions and negotiations be continued, in order to reach a peaceful solution. Does Canada intend to ask the Security Council and coalition members to take the time to look at other, non–military means to get Hussein out of Kuwait, such as reinforcing economic sanctions?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the hon. member talked about time. The Security Council and the world gave Saddam Hussein a period of grace, 47 days during which every day, every minute, Saddam Hussein had a chance to respond. Every time he refused. He shut the door on every initiative taken by the Secretary–General of the UN and others.

[*English*]

When members of the opposition speak of giving Saddam Hussein more time, let them ask themselves: What use does he make of this time? What use did he make of the period of a pause for peace? During that period he was building a trench across Kuwait to allow himself to take oil and move it through that trench to pollute the Persian Gulf, to undertake and commit, in effect, environmental warfare. How much time does the opposition party want to give Saddam Hussein to carry forward this kind of activity?

Some hon. members: Hear, hear.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have some questions in turn for the Secretary of State for External Affairs.

Number one, why is the government refusing to listen to Canadians who are saying: "Take the time to make the sanctions work to get Hussein out of Kuwait by not going to war"? Why does the government not listen to Canadians who are trying to tell them something?

I ask the Secretary of State for External Affairs, why does he not listen to Canadians who say that you do not have to destroy a country? you do not have to kill people, you do not have to destroy a region to stop aggression?

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I naturally do listen to Canadians. I listen to the evidence that is given by intelligence experts. I would very much listen to the hon. member if he would begin to accept my invitation of some months ago that he make available to us any information that he has that sanctions are working.

I will be writing to the hon. member because we do not have time in the House to correct all of the false impressions he leaves upon the record of Parliament.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps we should move on. The hon. member for Yukon.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister. He is aware that this morning, I sent the Prime Minister and the Leader of the Opposition a letter asking that a free vote be held on the question of war. It has become increasingly clear that for all Canadian men and women, the decision whether or not to go to war is a personal one. It is a matter of conscience and also a matter of the kind of information available to each person.

Some hon. members: Hear, hear.

Ms. McLaughlin: The decision each and everyone of us must make is the most non-partisan decision we will ever have to make in our lives. My question for the Prime Minister is: Will he hold a free vote on this question?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I answered this question yesterday. As far as the government is concerned, the policies we adopted were approved after full and vigorous debate in our national caucus, a debate that started in August last year.

I have not asked a single member—not yesterday or the day before and I will not do so in the future—to vote along any kind of line on this issue. Our members will confirm that after these vigorous and interesting debates in caucus, I go out and defend the interests of the government as I see them. I admit that a number of important and personal questions have been raised by a number of members, including several members on this side of the House, and I did not ask anyone how he or she is going to vote.

I assume that considering the fact that members were personally and actively involved in preparing this important policy, those members will support the government. I have not asked for any guarantees or opinions of any kind whatsoever. However, I realize the hon. member has a position she would like to make quite clear and it is one that I respect.

• (1430)

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I presume the Prime Minister and his government took the decision to have Canada participate in a war in the gulf based on some information. When the United States Congress voted on its resolution, which certainly passed narrowly, authorizing the use of military force against Iraq, it added that the U.S. President must come before Congress and both give reasons why sanctions had not worked and what other information was then available.

Presuming that the Prime Minister made this decision and took the position based on information available to him about whether economic sanctions have worked or not, will he table that information with this House so that we may also have access to that information?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Leader of the New Democratic Party will know that there was a lengthy hearing of the standing committee that dealt with the questions of sanctions. I presented a very full presentation. I indicated I would be prepared to have confidential briefings with others for further information. I made it clear that the information we had that was in confidence was not different in its effect from what was being presented to the committee.

I can tell the member now and the House that there continues to be very broad international respect for sanctions. It is one of the most effectively adhered to programs in the world. That is on the outside. The question is. What is happening on the inside? Is it affecting the military capacity of Saddam Hussein? The answer sadly is that there is no evidence that it is. There is a problem, Mr. Speaker, a problem that would be very troubling to the Leader of the New Democratic Party, that is that no matter how tight these sanctions of unprecedented tightness are, foodstuffs and strategic imports such as chemical additives, lubricants, water purification chemicals, and spare parts are reaching Iraq undetected. They are needed in relatively small volumes and they can be transported by air or overland by truck or pack animal, or by small boats capable of eluding naval interdiction.

In other words these elements which can be used to build a war machine are still getting in despite the tightest sanctions we have. How long would the Leader of the New Democratic Party—

Mr. Speaker: Perhaps we should move to the next question.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, obviously the minister responsible for external affairs is telling us in this House that we can put people on the moon but we cannot stop material going into Iraq by air, we cannot stop material going into Iraq by sea, and we cannot stop material going into Iraq by land.

Why then would we embark on economic sanctions in the first place because we would have known that? Also, where does he get this information, and will he table the source of his information today?

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I sympathize with the Leader of the New Democratic Party because she lives in a world of wish. She wishes that it were possible for humankind to be able to develop absolutely airtight control of human behaviour.

What I am telling here is that we have the most airtight system of sanctions the world has known and yet even with the most effective network of sanctions we have known, there are strategic imports getting into Iraq. They will continue to get into Iraq because if there is a change in the effectiveness of sanctions, if we weaken the United Nations, that will be a change not to make sanctions more effective with more countries participating, but to make sanctions less effective.

So how long does she want to—

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Defence. The government has decided to send a field hospital to Saudi Arabia.

Can the minister tell us whether this will serve only the British forces or will it serve Canadian forces as well? Does he have any plans in mind for sending other Canadian forces to the gulf, such as land forces, for example, and will this indicate any change in the position of the Canadian forces from defensive to offensive?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I do not think my hon. colleague was calling a field hospital an offensive force.

Canada received a request from the United Kingdom to provide a field surgical unit. They believe two things. Because of their additional commitment to the multinational force is presently serving under the UN Resolution 678 that they did not have the capacity to, one, provide their medical support, and two, the capacity as the Geneva Convention calls for to provide medical support to prisoners of war.

Canada has the capability of providing a self-sustained field hospital unit. It will consist of some 550 Canadian personnel. It will have the medical support side which will be made up of some 170. The other support staff will make up the balance, including an infantry company which will provide perimeter defence to the unit. It will be under technical control of the United Kingdom and it will fly the Canadian flag.

Hon. William Rompkey (Labrador): Mr. Speaker, it should be clear that this party has no opposition in principle to the sending of medical services and personnel. But what Canadians do want to know is the role of the Canadian forces now in the gulf, and those Canadian forces that may be committed to the gulf. Can the minister say what he has in mind exactly? Can he say today, clearly, what he has in mind for the role of the Canadian forces in the Persian Gulf?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, on several occasions over the last number of days the hon. member has talked about ground troops. I have said that the Government of Canada has no plans, secretive or otherwise, to send a brigade group into the gulf area.

I would like to know whether the hon. member agrees with his leader now that he says in principle the Liberal Party supports the sending of a field hospital unit. Does that include the statement his leader made yesterday, that if hostilities start all Canadian troops should be withdrawn?

Some hon. members: Hear, hear.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is to the Minister of National Defence. I want to get back to this business about who is running the show.

Yesterday the Minister of National Defence suggested to me that in the absence of a United Nations force commander that the principles of the well established NATO command and control structure could apply. I would remind the minister, of course, that NATO is headed by a military committee, as he well knows, and a chairman of that committee. The chairman is the boss.

In the Persian Gulf situation, who is going to be the equivalent? Who is going to be the boss? Who is going to be in charge?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, as the hon. member knows, the function of the multinational forces has taken place since August 2 when several nations, now totalling some 30, made a decision to support the United Nations resolutions, starting with resolution 660.

The coordinators, equivalent of the military committee in NATO, have been the national commanders representing their countries in that area.

If the hon. member wants to draw an equivalent to SACEUR, the Supreme Allied Commander in Europe, who is an American general, it is an American general who is co-ordinating in Saudi Arabia in conjunction with King Fahd, the protector of the two holy mosques.

In the other areas in the gulf, because of the presence and the size of the assets that are there, the co-ordination is done by an American admiral.

• (1440)

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I thank the minister for his response.

If I understand it properly, McArthur ran the Korean war, Eisenhower ran the D-Day operation and I think there is an example there. One cannot run a war without one person being in charge. I am still not sure who is in charge.

I would like the minister to clarify it for the Canadian people. Are we working for the Americans, the Saudis, or just who is going to run the show?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, since the outset of the Saddam Hussein attack of Kuwait on August 2, Canada has been working toward peace and security in the world, and we are serving the United Nations and the people of Canada at the present time in bringing that about.

Mr. John Brewin (Victoria): Mr. Speaker, I would like to come back to the question of the role of Canadian forces in the gulf.

The minister has not clearly answered the question. He has ruled out a brigade group but he has not dealt with specific and clear questions, particularly in respect of the role of the CF-18s. Senior military officers say the role has not yet changed. The Minister of Justice has said that no decision has been made as to a change in role.

Will the minister tell this House and the Canadian people whether there will be any change in the role of the CF-18s to a role in support of the military attack that is now being contemplated against Iraq in Kuwait?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, if hostilities commence, the Canadian forces personnel in the fighter squadron will continue to do the job that they are doing at the present time. That is, flying combat air patrol over Canadian vessels and those assets of the allied nations or the collaborating nations in the region.

Mr. Benjamin: What are the assets?

Mr. McKnight: An hon. member asks what the assets are. They include everything that happens to be in the gulf and everything that happens to be an asset on land in Saudi Arabia.

Mr. John Brewin (Victoria): Mr. Speaker, the minister has confirmed by his last answer that this government is plunging Canadian troops into an offensive war that is immoral, that is wrong, and that does not have the support of the Canadian people.

When will the government listen to the Canadian people?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I would like to inform the hon. member about collective security, if I could.

The hon. member is suggesting that Canada has changed its role. Yes, there has been a change in the circumstances. Up until January 15, last midnight, there was a pause for peace which started with resolution 660 of the United Nations and went all the way through the 12 resolutions, concluding with resolution 678.

What has changed is Saddam Hussein did not take advantage of that pause for peace. What has happened is that the brutal aggression that took place on August 2 and the occupation of a country and the destruction of a people continuing.

The United Nations and the issue of collective security has to be enforced. The opposition can make decisions that are not responsible. Unfortunately, this government has a position to make and it must be responsible. We accept that responsibility. God help Canada if his party ever has to make that responsibility.

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BALTIC STATES

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, my question is to the Secretary of State for External Affairs.

As world attention remains focused on the gulf crisis, the tension in Lithuania and the other two Baltic states increases by the day.

At the opening of the Conference for Security and Co-operation in Europe in Malta yesterday on the peaceful settlement of disputes, and I repeat, the peaceful settlement of disputes, I was pleased to learn Canada made a statement condemning the crackdown in Lithuania, calling for a restraint on further violence.

I ask the minister: What recommendations did his government make to the conference? If he has not already done so, will he pledge to increase humanitarian aid in the form of medical supplies and/or food directly to Lithuania and to the other states, as already requested by many Canadians of Baltic descent?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I am very pleased that even in the teeth of the grave crisis we face in the gulf the hon. member and other members of the House would cause the Parliament and public of Canada to focus again on what is happening in Lithuania, actions that are entirely unacceptable to us.

That has been communicated to Soviet authorities by a letter from the Prime Minister to Mr. Gorbachev and by the eloquent and I hope effective resolution adopted unanimously by the House yesterday.

With regard to medical supplies, we are prepared to do everything we can. We have had conversations with members of the Baltic communities in Canada, the Baltic communities in their entirety, not simply Canadians of Lithuanian origin. We will speak with others.

We will do everything we can to continue to ensure, because the hon. member knows that we were able to get medical supplies in earlier, that medical supplies get in. There may be some new limits on our capacity. There will be no limits upon our will.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I thank the Secretary of State for External Affairs and his party and members of all three parties for giving unanimous consent to the resolution that we passed in this House yesterday.

There is a fear that similar military action that occurred in Lithuania will soon occur in Latvia and Estonia. Will the minister confirm today if he has sent a strong message directly to Moscow that Canada will view such action as totally unacceptable, that such action would have dire consequences for the relations with the Soviet Union and could rekindle the east-west cold war, which none of us want?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, that was certainly clear in the letter that was sent by the Prime Minister to Mr. Gorbachev.

As the hon. member will know, there is now a new foreign minister in the Soviet Union who has been to Canada, whom I have met and I think others have met. I will be in touch with him shortly, and among the points I will be making will be precisely the two points the hon. member has raised: first, our concern about that unacceptable behaviour extending to other Baltic republics; and, second, the inescapable fact that if the Soviet Union continues upon that path with regard to the Baltic States. That is bound to have an impact upon not only the official policy of this government but also the attitude toward the Soviet Union and toward the goals of reform articulated by Mr. Gorbachev that had been so strongly supported by so many Canadians of eastern and central European origin, of origin in the Soviet Union, including the Baltic peoples. But those peoples, those Canadians, cannot be expected to support an idea of reform by an administration that carries out activities of the kind we have seen in Lithuania.

CANADIAN ARMED FORCES

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I have a question for the Minister of National Defence.

Before the Persian Gulf crisis came along, the minister was sending out signals that substantial cuts could be expected in the numbers of the Canadian forces personnel and other areas of the defence department as a cost saving exercise.

In view of the varied and valued expertise of our forces, does the minister still have plans in place to cut the Canadian forces after the gulf crisis is over?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, as long as this party has the authority and the responsibility of providing security for Canada, we will continue to spend the appropriate amount of taxpayers' dollars to provide that security.

I am not too sure with his present leader whether that would be necessary if his party formed the government.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I have a question for the same minister. The government has proposed cuts in the Public Service of Canada to help pay for military operations in the gulf. That is the kind of financial commitment this government has.

How does the government now plan to pay for the Persian Gulf operation in addition to those measures already stated? For example, will the government increase the deficit or is the Minister of Finance opposing that step?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, since the gulf crisis which started with the attack of Iraq on Kuwait on August 2, I have had the total support and commitment of my cabinet colleagues, from the Prime Minister to the Minister of Finance and my caucus.

• (1450)

I can say to the hon. member that Canada in the past has never made a decision to defend world order and bring about peace and security because of the cost. It has done it because it has been right.

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PERSIAN GULF CRISIS

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

The human and environmental consequences of any war are self-evident. Scientific projections of the environmental implications of Iraqi threats to destroy Kuwaiti oilfields if attacked reveal the potential for devastating climate change.

The Secretary of State for External Affairs alluded to environmental warfare. Does the government not recognize that this war is too horrible to contemplate? Why is this government following this insane course?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I have just indicated to the House that Saddam Hussein has used the last period of time that was given to him to construct, I said, a trench. In fact it is a pipeline, the purpose of which is to create terrible environmental damage. That is happening now.

If there is a point that I am seeking to have communicated to the people of Canada, it is that the *status quo* we face now is a *status quo* that is full of peril and full of damage.

Ask any Kuwaiti. Ask anyone in Saudi Arabia whose water purification processes would be corrupted irretrievably by the way that Saddam Hussein has used the time.

The choice is not between some kind of peaceful *status quo* and the terrors of war. Of course war is horrible, but so is allowing aggression and so is allowing Saddam Hussein the time to do other terrible things.

What do you think he is doing with his chemical weapons? What do you think he is doing with his biological weapons? He is using that time in ways that the New Democratic Party should not be supporting.

Some hon. members: Hear, hear.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I have a supplementary question.

The definition of collective security seems to be limited to military security. Given the scientific evidence of the global ecological implications of war in the gulf, will the government broaden its definition of collective security beyond the narrow view of military supremacy?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, that was done some time ago, not only in the speech I had the honour to deliver on behalf of Canada to the last General Assembly of the United Nations, but most profoundly in the green paper brought down by my colleague, the Minister of the Environment.

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ALTERNATE FUELS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the Persian Gulf crisis has again underscored how dependent the western world is on the fragile oilfields of the Middle East. In response, my question is for the Minister of Energy, Mines and Resources.

Can the minister tell this House exactly what steps this government is taking to encourage seriously the development and use of alternative fuels like methanol, ethanol, propane, and natural gas?

Surely, if there is a time that we should think about running our cars on alternate fuels, it has to be now.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I thank the hon. member for the question.

I think the important point is, despite the gulf crisis, that the government has been involved in alternate fuels and fuel switching for some period of time. That has been the MILE program, the natural gas program that we have initiated, for example the agreements that we have signed with General Motors with respect to the methanol use and with the Ford Motor Company, also including transit buses.

I appreciate what the hon. member is saying as well. Within the green plan there is an initiative for further expansion of methanol, ethanol, and natural gas, compressed gas. I say to the hon. member that we will continue redoubling our efforts on it, but it has been going on for some period of time.

[*Translation*]

PERSIAN GULF CRISIS

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, my question is directed to the Right Hon. Secretary of State for External Affairs. I am convinced that the decision to go to war can only be made on the basis of a deep conviction that the sanctions just could not work. I do not think that you have managed as yet to establish that.

I sent yesterday to your parliamentary secretary the results of an analysis of 115 cases which *The New York Times* published yesterday, where experts found that, in view of the exceptional effectiveness of the sanctions against Iraq there were 100 per cent chances that in the long run the sanctions would succeed and that even—

Mr. Speaker: Will the hon. member please come to his question?

Mr. Tremblay (Rosemont): What can you reply to that?

Right Hon. Joe Clark (Secretary of State for External Affairs): I am sorry, Mr. Speaker, I am afraid I missed the question, if there was one. Perhaps the hon. member could repeat it very briefly.

Mr. Benoît Tremblay (Rosemont): What can you reply to the experts who carried out this analysis?

Right Hon. Joe Clark (Secretary of State for External Affairs): I believe the hon. member is referring to an article in *The Globe and Mail* and *The New York Times* where a number of social scientists carried out projections on the probability of success of the sanctions. As I said yesterday during the debate—I do not know whether the hon. member was here at the time—

An hon. member: No, he was not here.

Mr. Clark (Yellowhead): He was not here? I clearly indicated then that there was a difference between concrete evidence and social scientists' projections. We have no reason to believe that the sanctions in place against Iraq will have an impact on its military capacity before at least six months, maybe nine; perhaps much longer than that. As I have just told the Leader of the New Democratic Party, it is quite clear that even with the most stringent sanctions in the history of the world, strategic material can still get to Iraq thus allowing Saddam Hussein's to increase its military capacity.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Today the minister would have us believe that he is concerned over the human repercussions, but in his speech yesterday he did not refer even once to the serious environmental consequences of the conflict.

Can the minister tell us to what extent Canada considered the environmental impact before making its decision? And can he give us today his assessment of the terrible environmental degradation we can expect if war does break out?

Right Hon. Joe Clark (Secretary of State for External Affairs): One thing for sure, Mr. Speaker, is that Saddam Hussein did not bother to analyse the impact on the environment, on human rights, and on world security before launching his attack against Kuwait. Another thing for sure is that he did show he is quite capable and determined to use and create war tools which might lead us into an environmental war. This has already been demonstrated. If we continue to give Saddam Hussein the time asked for by the Liberal Party, it is clear that he will seek other means to launch an attack against the world environment.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, Canadians have the right to expect from their government a far higher degree of concern than is being shown by Saddam Hussein.

The environmental fallout from this war is simply going to be devastating, far greater than anything that Saddam Hussein could do on his own. The effect may well be to destroy the food chain far beyond the immediate regions involved. It will certainly turn the Persian Gulf into another Dead Sea.

Given this and given the hundreds of thousands of deaths that will surely occur, the question this government must answer, the question this government has not answered is: Why take the fatal and irreversible step of committing to war before it is clear beyond any shadow of a doubt—and it is not clear beyond any shadow of a doubt—that the most comprehensive set of sanctions that have ever been imposed in modern history will work?

Point of Order

• (1500)

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the most comprehensive set of sanctions ever devised in human history, and I agree with the hon. member on that, are allowing now the passage into Iraq of chemical additives, lubricants, water purification chemicals, spare parts and other things that can be used to build the war machine. The time that is being demanded by the Liberal Party is allowing Saddam Hussein to devise new means of environmental warfare, to perfect his capacity to conduct chemical warfare, and to perfect his capacity to conduct biological warfare.

Mr. Speaker, with regard to other impacts, let me quote from the report of Amnesty International. It reported on December 19 that the violations of rights within Kuwait by Iraq include arbitrary arrest and detention, without trial, of thousands of civilians and military personnel, widespread torture of such persons in custody, imposition of the death penalty, and execution of hundreds of unarmed civilians, including children. The member should stop pretending that there is some kind—

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Mr. Speaker: The right hon. Secretary of State for External Affairs may want to table that document.

Mr. Clark (Yellowhead): Thank you, Mr. Speaker, I would be honoured to do so.

* * *

POINT OF ORDER

REQUEST THAT DOCUMENT BE TABLED

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, perhaps I may pose a point of order.

We are asking The Secretary of State for External Affairs, as a senior minister, should know the traditions of this House, that when he cites from and reads from a document in this House, he should be asked to table that document so that all members can share the information.

I am not referring to the Amnesty International document; I am referring to the document and piece of paper he was reading from in reference to sanctions. Would he please give us the piece of paper and information from which that was drawn?

Point of Order

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, at one time I believe the hon. member was a minister of the Crown and he followed the practice of occasionally referring to notes. He knows that the practices of Parliament, which he has just cited, are practices which apply to documents which were quoted but not from notes for Question Period. He knows that.

The Speaker, quite properly, suggested that I should lay upon the table the Amnesty International document from which I had quoted, and I am very pleased to do that. I hope many Canadians will read that document in detail, so that they will understand what Saddam Hussein is doing to Kuwait.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, it is regrettable that the minister did not bring the documents to the House from which he is citing. Considering the importance of this basic debate about the validity of sanctions, will the minister be prepared to table in this House, and make public the documents from which he drew the information and presented to the House today?

Mr. Clark (Yellowhead): Mr. Speaker, I am not sure about the propriety of this exchange but I am, as always, in your hands. I made a commitment to the standing committee that I would make available to the standing committee a great deal of information. I did that orally when I was there to answer questions.

I told the hon. member, who was present and, through him and through members of the committee, the whole House that I was prepared to make available briefings on a confidential basis of other matters that should perhaps not be put for valid reasons, in a situation such as the present situation, in the public domain. That follows the long, unvaried traditions of Parliament.

The hon. member asks me to repeat the undertaking I gave in the standing committee; of course, I do that. And I am prepared to give him access, in his capacity as a Privy Councillor with all of the obligations that involves, to information with respect to the effectiveness of sanctions. I also repeat my request to him. If he has any information suggesting that sanctions work, let him present that to the people of Canada.

Hon. Herb Gray (Windsor West): Mr. Speaker, the Secretary of State for External Affairs cannot be half in and half out on this matter. If he has information on sanctions, he has to table the document he was quoting from and give us the sources. Otherwise there will be a question as to his credibility and the credibility of the government on this important—

Mr. Speaker: Hon. members know what the rule is with respect to tabling documents. As I saw it, the right hon. Secretary of State for External Affairs was reading from the report. I suggested that it was appropriate to table it. He has done that.

If there are other matters that need to be discussed, perhaps they could be raised at another occasion, after there has been some discussion. This is now turning into debate and I think we have to close it off.

The hon. member for Yukon.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I was also going to request that the minister for external affairs table the document which he cited in his answer to my question.

I am pleased that the members of the opposition have continued to pursue that question as well.

Mr. Clark (Yellowhead): Mr. Speaker, on this point, to be very precise, I was not at that point quoting from a document. I was referring to notes.

We do have assessments available. I shared them with the standing committee when I appeared at an earlier time in this debate. I am prepared to share that information again with Parliament. There is not a document as the hon. member is talking about. There are my speaking notes to which ministers habitually refer, but I am certainly prepared to make any document available on the basis that I outlined in the committee. That basis was that those that can be made available publicly will be made available to the committee. Those that require people to be sworn to an oath will be made available to members of the Privy Council.

That is one of the reasons why the government was so pleased that the hon. Leader of the New Democratic Party was prepared to accept a swearing to the Privy Council, because it allows someone in her party now—

Mr. Speaker: The difficulty of the Chair is that this is leading into a debate. However, hon. members have raised the matter. The right hon. Secretary of State for External Affairs has indicated his willingness to co-operate and it is now my duty to continue with Routine Proceedings.

[*English*]

ROUTINE PROCEEDINGS

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 47 petitions.

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

PERSIAN GULF CRISIS

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, it is my honour to table petitions on behalf of my constituents of Parkdale—High Park.

The petitioners say that whereas the invasion of Kuwait by Iraq is unacceptable and cannot be tolerated, and as a result that the United Nations sanctions may be slow in coming, and foreign nationals are still being detained; and whereas Canadian troops are currently in the Persian Gulf and their presence may be required for an undetermined length of time, they humbly pray and call upon Parliament to commit that any Canadian involvement in military action be solely at the command of and under the auspices of the United Nations.

• (1510)

MATERNITY BENEFITS

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the next petition is on parental leave. The petitioners are very concerned. They are pleased to see that the current legislation on maternity benefits has been extended as of November 18, 1990 to include an additional 10 weeks of parental benefits for the mother, and a new 10-week claim for parental benefits for the father.

Unfortunately, there are a number of women who are currently enjoying their right to 17 weeks maternity leave under the former legislation. These women have been informed that they will be obliged to return to work at the end of the 17 weeks, work for another 20 weeks, during which time the new baby will have been weaned, have been part of a child care program under the care of the mother and/or father.

They call upon the government to recognize the difficult situation in which these women find themselves, and allow them the option of running a new claim for the additional 10 weeks, immediately after the claim under which they are currently covered.

HUMAN RIGHTS

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I have a further petition on another subject. The petitioners want to highlight to this House the continuing gross human rights violations in Iran.

They humbly pray and call upon Parliament to bring to the attention of the Government of Canada reference to the fact that since last year the situation of human rights has deteriorated and the use of terrorism by the ruling mullahs expanded dramatically.

They request that the Government of Canada actively participate in introducing and passing resolutions during the current 45th session of the United Nations General Assembly condemning the severe violation of human rights in Iran, as well as paying tribute to the memory of Professor Rajavi.

PERSIAN GULF CRISIS

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, I have the honour to present a petition signed at a demonstration against Canada participating in war in Iraq.

The petitioners ask Parliament to prevent Canadian Armed Forces from being used to attack Iraq. They point out that 87 per cent of Canadians are absolutely opposed to the Prime Minister of this country and that the majority of Canadians oppose the use of Canadian Armed Forces in this war. In fact, probably the major impediment to exercising the wishes of Canadians on this matter is the Prime Minister and the Conservative Government.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition pursuant to Standing Order 36 which calls on Parliament to recognize that, whereas international economic sanctions have had a demonstrable effect on Iraq, and whereas the military strategy of blockades is preferable to war, the shedding of blood and the loss of human life.

Wherefore, the undersigned, the petitioners, humbly pray and call upon Parliament to give economic sanctions against Iraq a chance to work and withdraw all but peacekeeping Canadian military from the gulf. That is signed by 48 people from coastal British Columbia.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I rise to present a petition under the provisions of Standing Order 36.

The first petition is from residents of Ottawa, Montreal, Toronto and other smaller places. It expresses their opposition to Canada's participation in the gulf war in any military attack against Iraq because of the unforeseeable amount of harm that would be done to the region and even the world because the United Nations has imposed massive and effective economic sanctions.

They request that Parliament withdraw all Canadian forces from the region so that we can be assured they will not be employed in any offensive capacity, but solely as is necessary to make sanctions effective and to use our tax dollars for useful and social programs such as child care, pensions, health care, education and not for military adventures in the Middle East.

Mr. Speaker, the second petition gives the same reasons for saying in effect, we, the undersigned, ask that the Government of Canada use all means available to it to encourage UN member states to give sanctions a chance to work, to refrain from offensive military action against Iraq.

They further ask that the government not commit Canadian Armed Forces to offensive action against Iraq.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I have under Standing Order 36, a 24–page petition signed by people from Maple Ridge who have indicated that as a country we have built gradually a reputation as a dependable advocate supporter of the United Nations. We are recognized world–wide as a peacekeeping nation.

The petitioners therefore call on Parliament to resist strongly war in the Middle East at all costs and to allow time for economic sanctions and pressures from within Iraq to influence Saddam Hussein to withdraw his troops from Kuwait.

ETHANOL

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have the honour to present a petition on behalf of several hundreds of people in communities in the greater St. John's, Newfoundland area such as Kelligrews, St. Thomas, Chamberlain, Long Pond, Manuels, and so on.

The petitioners point out that Canadian cities are being polluted by automobile emissions and that there is a solution through the use of ethanol blended gasoline which would have the effect of boosting the oxygen content of the fuel. In that context, the petitioners call upon the House to make a minimum 3.2 oxygen content in gasoline fuels mandatory.

I have great pleasure in supporting the petition on behalf of those petitioners and ask that it be referred to the appropriate department for action.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 343, 347, 363, 383, 384, 396, 409, 414, 418 and 421.

[*Text*]

"CENTENNIAL FOUNTAIN COINS TO SUPPORT ASSOCIATIONS FOR CANADIANS WITH DISABILITIES"

Question No. 343—**Mr. Nunziata:**

Did the government issue a press release on April 10, 1990 entitled "Centennial Fountain Coins to Support Associations for Canadians with Disabilities" and, if so what was the cost of (a) production (b) mailing (c) courier delivery?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Yes. The government issued a news release on April 10, 1990, entitled "Centennial Fountain Coins to Support Associations for Canadians with disabilities."

(a) The production cost was $402.80 to print 5,500 releases in English and 5,100 releases in French.

(b) The mailing cost was $2,439.20, which included the cost of envelopes to mail to municipalities in Canada.

(c) The courier delivery cost was approximately $60. This cost included sending 900 English releases and 500 French releases in bulk to the parliamentary distribution centre for distribution to senators, members of Parliament and members of the Parliamentary Press Gallery.

THE PROCLAMATION OF THE CANADIAN ENVIRONMENTAL PROTECTION ACT

Question No. 347—**Mr. Caccia:**

Since the proclamation of the Canadian Environmental Protection Act, how many new inspector positions have been (a) created (b) filled, in each of the provinces and the two territories?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): The Canadian Environmental Protection Act was proclaimed on June 28, 1988. At that time a total of 108 inspectors were designated for the purposes of this Act. b) As of October 1, 1990, a total of 271 inspectors were designated for the purposes of this Act. The following outlines the allocations for each of the five regional offices and Headquarters of Environment Canada:

	28/06/1988	01/10/1990
Pacific & Yukon (province of British Columbia and Yukon)	28	57
Western & Northern (provinces of Alberta, Saskatchewan, Manitoba and Northwest Territories)	18	42
Ontario	14	29
Quebec	17	72
Atlantic (provinces of Newfoundland, Nova Scotia, New Brunswick and Prince Edward Island)	27	57
Headquarters	4	14
Total	108	271

MASTER PLAN DEVELOPMENT EXPENSES FOR RIDEAU HALL AND 24 SUSSEX DRIVE

Question No. 363—**Mr. Milliken:**

For a) 1988–89 b) 1989–90, were expenses incurred by the National Capital Commission in the development of the "Master Plan" for Rideau Hall and 24 Sussex Drive, as listed on page 18 of the Third Report (Summer 1990) of the Official Residences Council and, if so, individually, what were they?

Hon. Elmer M. MacKay (Minister of Public Works):

EXPENSES INCURRED TO DEVELOP MASTER PLAN

RIDEAU HALL	1988–89	1989–90
Buildings architectural and engineering studies (27 in total)	$257,005	$164,382
Grounds partial study (88 acres)	2,924	0
Total	$259,929	$164,382

24 SUSSEX DRIVE	1988–89	1989–90
Buildings architectural studies Phase 1 and Phase 2, Part 1 (5 in total)	$36,625	$52,301
Grounds studies (4 acres)	26,569	8,864
Total	$63,194	$61,165

TRAVEL POINTS

Question No. 383—**Mr. Blackburn:**

Since 1984, for a) government b) Crown corporations c) agencies d) commissions, are public servants eligible to collect travel points gained from travels paid for by taxpayers, and, if so, in each case (i) how many have gained points (ii) what categories of public servants are eligible (iii) how many accumulated travel points for their own use (iv) how many points have been used (v) what is the total monetary value of travel points used (vi) had these travel points been handed back to the government, what would have been the value to the government?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): (a) Public servants can only use these points for further government business travel. Private use of these points is strictly prohibited. This policy predates 1984.

(b) This policy does not apply.

(c) Policy applies only to public servants for whom Treasury Board is the employer.

(d) Policy applies only to public servants for whom Tresasury Board is the employer.

(i), (ii), (iii), (iv), (v), (vi) The government does not keep statistics on travel points.

PUBLIC SERVICE 2000

Question No. 384—**Mr. Stupich:**

For Public Service 2000, what are the a) salaries of the director and seconded staff b) estimated cost of person days charged against PS 2000 by deputy ministers heading subtask forces and any others contributing to PS 2000 c) cost of current promotion campaign d) cost of implementation?

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): a) As of November 6, 1990, there were three employees on the strength of the secretariat (which is attached to the Privy Council Office)—the manager, an administrative assistant, and a clerical officer. The salary cost of these, since January 1, 1990, is estimated to have been $161,853.

A further 20 employees have been on secondment from various departments for various periods of time. The salary cost since January 1, 1990 for all these staff is estimated to have been $529,331.

b) Public Service 2000 is a Public Service–wide initiative and it would be very difficult to put a meaningful value on the time spent by deputy ministers and other staff on the task forces.

c) It is not clear what is meant by "the current promotion campaign". Since the beginning, press releases, speeches, articles in Public Service and departmental publications, reports, fact sheets, et cetera, have been produced and distributed by the central agencies and by departments. This kind of activity will continue as an inevitable and essential part of a major administrative reform.

d) Since the government has not yet taken a position on most of the many PS 2000 recommendations, it is far too early to give a meaningful response.

DISPOSAL OF TAILINGS FROM ABANDONED URANIUM MINES

Question No. 396—**Mr. Pagtakhan:**

Has the Atomic Energy Control Board of Canada or the Government of Canada ever approved a policy for the permanent disposal of the tailings from abandoned uranium mines and, in any case, who is responsible for managing the tailings from abandoned uranium mines where the former or original owner no longer exists or cannot be located?

Hon. Jake Epp (Minister of Energy, Mines and Resources): In 1975 the Atomic Energy Control Board (AECB) started directly regulating uranium mining in Canada. In addition to ensuring that the mining activities do not pose any undue risks to members of the public and to the environment, the AECB has established a policy regarding financial responsibility for the decommissioning of uranium mining facilities, including the tailing areas. The operator of a mining facility must submit to the AECB, at the earliest stages of operation, a plan outlining the financial assurances for all decommissioning activities in the short term as well as in the long term. Since no mining facility subject to AECB regulations has been abandoned, no AECB policy has been developed to date for disposal of tailings from uranium mining facilities for which no owner may be identified. There are no known cases of uranium mines which ceased operations before 1975, where it is not currently possible to identify an owner who would be responsible for the proper decommisioning of the site. In the event that a responsible owner could not be identified, proper decommissioning of the site would lie with the federal and provincial governments. EMR is currently discussing this matter with various governmental departments and agencies.

SUPPLEMENTARY ESTIMATES (B) 1990–91 NATIONAL DEFENCE VOTE 20B EMERGENCY PREPAREDNESS—CONTRIBUTIONS

Question No. 409—**Mr. Milliken:**

In the Supplementary Estimates (B) 1990–91, under National Defence vote 20b—Emergency Preparedness—Contributions, were any natural disasters the cause of the requests for payments, and if so, which disasters?

Hon. Bill Hunter McKnight (Minister of National Defence): Two payments were made for natural disasters under disaster financial assistance arrangements. They were:

1) 1988 Flood in Manitoba

2) 1983 Storm in Quebec

COST OF COURT ACTION

Question No. 414—**Mr. Fisher:**

What was the cost of the court action which followed the 1989 Public Service Alliance complaint pertaining to essential services designation?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): It is estimated that these costs were approximately $35,000. About $1,000 of the amount was spent on court filing fees, travel costs of Employer's witnesses in PSSRB proceedings, and printing costs. The rest of the amount represents salary costs incurred by Department of Justice lawyers, Treasury Board Secretariat and departmental employees who worked on the files, as well as the associated clerical and secretarial help. All counsel involved on the Employer's side were Department of Justice lawyers. There were no expenditures of funds to engage private sector lawyers.

PENSIONS

Question No. 418—**Mr. Harvard:**

Will representatives of the Armed Forces Pensionners'/ Annuitants' Association of Canada be invited to become part of the current committee of public servants in Treasury Board who are preparing a new Pension Reform Bill?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): The government considers the ongoing consultative process an important part of the Public Service pension reform process. Very careful consideration is being given to the many representations being made by or on behalf of various groups to the President of the Treasury Board. The association referred to has also provided its views to the Associate Minister of National Defence who has passed them to the President for consideration.

GOVERNMENT'S RESPONSE TO THE THIRD REPORT OF THE STANDING COMMITTEE ON ABORIGINAL AFFAIRS

Question No. 421—**Mr. Skelly:**

Did Mr. Bud Neville of J.F. Hickling Management Consultants Ltd. write a background report for the government's response to the Third Report of the Standing Committee on Aboriginal Affairs and, if so, was Mr. Neville a former employee of the Department of Indian Affairs and, if so, during what time was he employed by the Department?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Bud Neville was the principal consultant, chosen in consultation with Makivik Corporation, for the background report, prepared by J.F. Hickling Management Consultants Ltd., for the government's response to the Third Report of the Standing Committee on Aboriginal Affairs. Mr. Neville was employed by the Department of Indian Affairs and Northern Development between 1957 and 1971.

* * *

[*English*]

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Question No. 406. Due to the length of the response, I ask that it be printed in *Hansard* as if read.

[*Text*]

PARTNERSHIP LOSSES

*Question No. 406—**Mr. Breaugh:**

For each year from 1986 to 1989, a) how many taxpayers claimed partnership losses from real estate investments b) what was the total value of partnership losses claimed from real estate investments c) what was the cost to the government in terms of tax revenues lost due to partnership losses claimed from real estate investments?

Hon. Michael Holcombe Wilson (Minister of Finance): Data on partnership losses resulting from real estate investments are not readily available as taxpayers are not required to identify the source of partnership losses on their tax forms. While financial statements and tax calculations relating to the partnership must be included in the income tax return of each partner, the sources of partnership income/losses are not transcribed by Revenue Canada, Taxation. Consequently, answers to the questions are not available.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

BALTIC STATES

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I rise under an application pursuant to Standing Order 52, seconded by my colleague from LaSalle—Émard, to ask leave to adjourn the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the turmoil in the Baltic states.

Although the debate over the next few days should focus on the gulf situation, we cannot neglect the seriousness of recent events in the Baltic states and their implications on world peace.

My request is based on the need to ascertain Canada's response to the recommendation that the matter be referred to the United Nations Security Council and dealt with in the context of an emergency world conference or some other appropriate forum.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I agree completely with what the member for Parkdale—High Park has said. There are a couple of other important points to be made.

There are seven Canadians registered as being in Lithuania, six in Latvia, and two in Estonia.

There is the question of our $150 million line of credit to help improve distribution and our technical assistance, both of which were based on Mr. Gorbachev's undertaking to the Prime Minister that there would be no crackdown in the Baltics.

There is the concern of many thousands of Canadians of origin in the Baltic states, all of which I agree with when my friend suggests having a debate at a suitable time to discuss this very important issue.

SPEAKER'S RULING

Mr. Speaker: I have heard both the hon. member for Parkdale—High Park and the hon. member for Edmonton Southeast on an application for an emergency debate relating to events in Lithuania.

I want to remind hon. members that yesterday in the House by unanimous consent, it was resolved:

> That this House condemns the brutal and unacceptable Soviet crackdown in Lithuania, and calls upon President Gorbachev and U.S.S.R. authorities to refrain from using further violence against the people and democratically elected governments of Lithuania, Latvia and Estonia;
>
> That this House appeals to the U.S.S.R. to adhere to its obligations under the Helsinki Final Act and the Charter of Paris, and to seek solutions consistent with respect for fundamental human rights and freedoms; and
>
> That, recognizing the continuing Canadian government policy not to recognize the *de jure* annexation of the Baltic states, this House recalls its resolution of March 1990 and continues to support the right of the Baltic peoples to determine their own future.

• (1520)

I depart from usual practice to bring that to the attention of the House because we have here significant development in that there is a unanimous motion dealing with the subject and, of course, hon. members know that it has been dealt with and may well be dealt with in the next few days again in Question Period.

Under the circumstances and given the other things that must be debated, it would not be appropriate to move today to a special debate. But I do want it made very clear how all members of this House on both sides are treating the matter as one of very great urgency and importance and also that they have passed a very strong and unanimous resolution.

I thank the hon. members for raising the matter.

GOVERNMENT ORDERS

[*English*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed from Tuesday, January 15, consideration of the motion of Mr. Clark (Yellowhead):

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

And the amendment of Mr. Axworthy (Winnipeg South Centre):

> That the motion be amended by adding immediately after the word "Kuwait" the following:
>
> "through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time."

Mr. Speaker: The hon. member for Notre-Dame-de-Grâce will have the floor and I will come to him in a moment. Before that, I am required to present to the House a ruling on the sub-amendment.

SPEAKER'S RULING

Mr. Speaker: Last night, during the course of the debate on the motion of the hon. Secretary of State for External Affairs, and on the amendment of the hon. Leader of the Opposition, the hon. member for Winnipeg Transcona proposed to move an amendment to the amendment. The text of that amendment reads:

> That the amendment be amended by deleting all the words after the word "sanctions" and substituting the following:
>
> "such support to exclude the involvement by Canada in a military attack on Iraq or Iraqi forces in Kuwait and to encompass diplomatic initiatives including settlement of border and other disputes through UN mediation or the International Court of Justice, promotion of democratization throughout the region, establishment of a mechanism to reduce the arms trade and to eliminate weapons of mass destruction, and the convening of an international peace conference to discuss all outstanding Middle East issues."

The Chair took the proposed subamendment under advisement, and I am now prepared to rule on the matter.

Beauchesne's fourth edition, Citation 202, paragraph (3) states clearly:

> Since the purpose of a subamendment is to alter the amendment, it should not enlarge upon the scope of the amendment—if it is intended to bring up matters foreign to the amendment, the member should wait until the amendment is disposed of and move a new amendment.

Furthermore, Beauchesne's Fifth Edition further clarifies the concept of a subamendment at Citation 438, paragraph (2), which states:

> A subamendment must attempt to explain the substance of the amendment and may not substitute an entirely new proposal.

[*Translation*]

Another important criterion is explained at citation 441(2): A sub-amendment must be relevant to the amendment it purports to amend and not to the main motion.

The amendment, now before the House, proposed by the Hon. Leader of the Opposition reads as follows:

> That the motion be amended by adding immediately after the word "Kuwait" the following:
>
> "through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time."

[*English*]

The amendment to that amendment which the hon. member for Winnipeg Transcona proposes to move goes far beyond the terms of that motion. It introduces a variety of entirely new concepts, for example, the notion of democratization in the area, the elimination of weapons of mass destruction, and the idea of an international peace conference.

While these concepts are perhaps germane to the very complex issue being debated, nonetheless, from a procedural perspective, they stand well beyond the terms of what could be considered an acceptable amendment.

Accordingly, the Chair must find that the proposed subamendment is not in order and cannot be proposed.

SUPPORT FOR UNITED NATIONS

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, as you know, I am continuing my speech from last evening which was interrupted by the adjournment at midnight. Since that time, the critical hour for war in the Persian Gulf has arrived.

Madam Deputy Speaker: If I may, just to put things in the right order, we are now in the 10-minute question and comment period following the hon. member's speech. There are eight minutes left in that period.

Mr. Allmand: Madam Speaker, I understood that. Last night a question was asked by the hon. member for Bourassa. After she asked the question, and before I had the opportunity to answer it, you stood up and called the adjournment.

Since that time, the critical hour for the war in the Persian Gulf has arrived, but fortunately both sides are holding their fire and there is still some time to pursue a peaceful settlement.

As I stated, at the end of the debate last night the member for Bourassa asked me why I continued to support the economic sanctions to settle this dispute with Iraq when there were leaks, according to her, along the Iranian and Syrian borders. Consequently, she said that the sanctions would not work.

Today, during the Question Period, the Secretary of State for External Affairs made similar statements. He told the House, without giving us the sources of his information, that the sanctions could not work as far as impacting on Iraq's military capacity. That is one view of the sanctions. That is the view of the hon. member for Bourassa. Obviously, it is the view of the Secretary of State for External Affairs. There is another view with respect to that question.

In my speech last night, I referred to the study carried out at Harvard University which was reported on Monday of this week in *The New York Times* which stated in effect that the sanctions were working and they would bite even harder as we went into the spring.

Also, in my remarks last night— and I will repeat it—I referred to the debate in the American Senate and House of Representatives. A good number of senators and congressmen said their information was that the sanctions were working. They challenged the American government to give them evidence to the contrary and the American government failed to do that.

I also referred to the statements made by the CIA and the American administration before the American elections in November. At that time, the CIA and the United States administration said that the sanctions were working. After the election, they changed their tune and resorted to military alternatives.

Finally, in answer to the member's question, three members of this House, one from each political party visited Iraq. They said that from their observations the sanctions were working. If there is doubt with respect to the sanctions, if there are leaks as alleged by the hon. member for Bourassa and the right hon. Secretary of State for External Affairs, then surely the answer is not war. The answer is to refer this matter back to the Security Council to re-examine the issue, find out where the sanctions are lacking and how they can be strengthened.

• (1530)

When the Security Council established the sanctions in August, it also established a committee to monitor those sanctions. That committee has not yet reported back in an official manner to the Security Council, which should be done. If there is division of opinion as to whether the sanctions are effective or if there are leaks along the Iranian and Syrian borders, that should be examined by that monitoring committee of the Security Council. It should be officially reported to the Security Council. Then the Security Council can decide what should be done. Either it will make further recommendations to strengthen the sanctions to block the holes or then it could decide to go to war.

Unfortunately, in my opinion, contrary to chapter 7 of the charter of the United Nations, it proceeded to the powers under article 42 without thoroughly exhausting the powers under article 41. It says very clearly in the charter that you cannot resort to military action until you are assured that non-military means to settle a dispute have been tried and failed.

No report has been officially given to the United Nations by the monitoring committee on the sanctions that they are not working. I say to this House that the decision to take military action before that was done is wrong.

If the member for Bourassa is right, if the Secretary of State for External Affairs is right that there are gaps in the sanctions, that they will not impact on the military strength of Iraq, then that should be taken up by the Security Council. They should ask for a report from the monitoring committee and then deal with this in the proper way.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, in congratulating the member for Notre-Dame-de-Grâce on his very fine intervention last night and this afternoon, I would like to ask him to comment on the following statement made by the Secretary of State for External Affairs last October when he said: "We should not rule out the possibility that young Canadian soldiers, women and men, will not return to this country for celebrations but will stay in the gulf for burial". This statement was made in October and I would seek the hon. member's comments on this stand taken at that time.

Mr. Allmand: Madam Speaker, yesterday the Prime Minister made similar statements in his speech. He said that in going to war against Iraq there were risks and that there very likely would be casualties and human lives would be lost.

That statement by the Prime Minister and the statement made by the Secretary of State for External Affairs last October, referred to by my hon. colleague, in my opinion are cold, callous assumptions with respect to this war. Last night I described it as a revisitation of Dr. Strangelove, a new version of Dr. Strangelove. Here we have politicians, diplomats and generals playing with the lives of millions of ordinary men and women who are being sent to war, but they are not risking their lives themselves.

I said in my speech last night that in former days, in medieval times, when kings and princes decided to go to war, they at least led their troops into battle and risked their own lives with the lives of the people that they sent to war. Here we have the Prime Minister and the Secretary of State for External Affairs talking about Canadian lives as if they could be dispensed with like that, especially when they have not tried sanctions to the very end when many, many people in the world have said that sanctions will work, will continue to bite and will bite even harder as we move into the spring and the summer. For them to talk about Canadian lives, Canadian boys and girls being sent home in body bags, to me is a cold, calculating and callous approach to this whole matter. It indicates that they are not living in the real world and they are not listening to Canadians.

What they should be doing is still pursuing peaceful means in settling this conflict, and they have not done that. Today our leader asked that they attempt to get the Security Council recalled to deal with the committee that is monitoring sanctions. If the information given by the Secretary of State for External Affairs is true, that information will go before that committee and will be verified.

Then we will know. It will not simply be opinion. It will be verified by an official committee of the Security Council of the United Nations whether or not those sanctions are working and whether or not we can continue with them.

For the moment war is premature and simply to dispense with Canadian lives in the way that has been done by the Prime Minister and the Secretary of State for External Affairs is unacceptable.

Mr. John Brewin (Victoria): Madam Speaker, I noted that the Speaker has ruled out of order the comprehensive subamendment which the New Democratic Party had introduced in the House. It will be my intention in a minute or so to introduce a briefer subamendment which I trust will be in order and will permit our particular views to be tested in the House.

I will get to that at the conclusion of my brief remarks.

I would like to take this opportunity to make two or three comments on this historic and frankly depressing situation in which we find ourselves. Canadians coast to coast to coast are deeply concerned about how we find ourselves, how the world at the end of the 20th century finds itself in the position of entering into what will only be a catastrophic and terrible war.

The catalogue of the cost in pain that this war will cause has been listed by other members of the House. But let me just summarize.

There will be the loss of the lives of the Armed Forces on both sides, and there are over one million troops now facing each other in the Persian Gulf. There will be thousands upon thousands of young men and women killed or injured in the war that is about to take place. Their families and societies will be affected. There will be thousands who will spend the rest of their lives in pain.

There are thousands upon thousands of innocent civilians who will be hurt. We have heard the catalogue of ecological disaster. It appears that no one has contemplated the geopolitical damage and how the world and that region are to operate once this action is completed.

Canadians are voicing this concern in many ways. Each of us, as a member of Parliament, has been inundated with telephone calls, particularly in the last few days. In every constituency young people—in fact, people of all ages—are conducting vigils, are marching, are trying desperately to express the horror they feel at what is about to take place. It is unbelievable to the world. It is unbelievable to Canada. It must be unbelievable to every member in this House that after the pain and agony of war in this century we find ourselves once again ready to go to war.

The government has tried to defend its role in the past and the role that it is now contemplating once war begins with the flag and the resolution of the United Nations.

While I respect the fact the government has come to the conclusion that it has and respect the fact that there are many members on the government side for whom this must be a very difficult decision, let me say that it is completely wrong to rely on the United Nations as a justification for the war that is about to be unleashed in the Middle East.

Let me first say that the charter makes it absolutely clear that the fundamental purpose of the United Nations is the avoidance of war. The structure of the charter makes it very clear that before war can take place there must either be clear self-defence, which would have justified Kuwait defending itself, and does justify the world community standing by Saudi Arabia and other neighbours of Iraq in defending against any further aggression.

• (1540)

But before military action can take place against Iraqi positions in Kuwait, the Security Council must find that sanctions have failed and are inappropriate and inadequate.

As has been demonstrated over and over again in the last two days, the government simply does not have the evidence that sanctions have proved inadequate. The very resolution on which the government relies, resolution 678 of the Security Council, says not only that other means may be used, but it is very specific. It only authorizes all necessary means.

The clear implication of that resolution is that military force is not justified if sanctions still have the potential to work. I say "only the potential to work" for there is no certainty in these matters.

Until sanctions have demonstrably failed, as they clearly have not, it is counter to the charter. It is counter to resolution 678. It is counter to the experience of this generation, to the people of this century. It is counter to simple humanity that war can be even contemplated in the Middle East at this time.

Our people therefore ask: "How did we get here? How did it happen?" I suggest—and I try to use these words calmly—that the United States has blackmailed the countries of the United Nations into wrapping the U.S. actions and policy in this area in the flag of the United Nations. The U.S. has made it absolutely clear to its friends that if the United Nations did not provide at least a fig leaf of support, the U.S. would go it alone.

It is clear that the United States made the decision in November that it was going to war in the gulf and nothing would stop it, despite all the efforts of the world community.

Now we sit at the brink of war. This House has only one choice on the resolution before it. This House must vote against war in the Middle East. We urge the House to treat this as a free vote. We do so solemnly and understand its significance.

This is an historic vote. This is a vote that will put our young men and women to war. It is a vote that has only taken place twice before in the history of Canada; in 1939 and again in 1950. It is a vote in which all members must express themselves as they honestly and clearly believe.

In order to make our position as clear as we possibly can, it will be my intention in a second to move a subamendment to the Liberal amendment which effectively would have Canada not go into offensive military action at this time. It leaves open the possibility that tomorrow, the next day, the day after that, Canada could participate in offensive military action.

The word "offensive" in the Liberal amendment has been already defined by the military in this country, and I suspect by the government, as referring precisely to attacks on enemy positions and does not include the support of attacks on enemy positions.

Government spokespeople have said that is defensive action, that it is defensive to accompany B–52 bombers on an attack on Iraq or Kuwait. To make it absolutely clear, I will move the following amendment:

> That the amendment be amended by deleting all the words after the word "sanctions" and substituting the following:
>
> "such support to exclude the involvement by Canada in a military attack on Iraq or Iraqi forces in Kuwait".

I would ask the House to give this subamendment its serious consideration, and I would ask all members of the House to support it.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, perhaps I could have a few short minutes of the time of the House to comment, if I might, and make a commentary on the subamendment proposed by our colleagues in the NDP. Of course we agree with many of the sentiments: their concern about the use of military action and the real demand that sanctions be applied.

However, I want to make clear why we will have to vote against the amendment. The hon. member cited the charter. We have based much of our argument on the charter as well. We have said that if there is ever to be a policeman role in this world, it has to be through the United Nations and according to the rules set out by the UN charter.

The hon. member properly cited article 41 of the charter when he indicated that the United Nations has the right to establish an economic embargo. Article 42 of the charter then goes on to say that when that embargo, in the judgment of the Security Council, is no longer effective in deterring aggression, the Security Council has the right to call upon members to participate in a military force organized by the UN under the UN command and under the UN flag.

We have been arguing in this House that if there were ever to be use of force against the Iraqis to expel them from Kuwait, it must be within the proper procedures and rules of the United Nations charter.

That is why the amendment we proposed was very careful in its wording at this time, because there may come such an occasion, which we cannot predict or prophesy. There could be other attacks upon other countries. No one can tell what will be in the mind of Saddam Hussein. He certainly has been somewhat unpredictable up to now. We do not want to totally exclude that possibility forever.

Therefore I want to say simply that the hon. member and I have exchanged views on many occasions in the last week. He expressed sentiments, eloquently, I may say, in terms of the need to impose sanctions, to reinforce them, and attacked the government for not giving us any evidence whatsoever other than the somewhat hyped-up evidence the minister tried to give us today.

In the short time remaining I simply want to say that the charter does give the United Nations the right to make a decision about sanctions and then to decide whether a UN military force would be required. We would like to adhere to the charter and that is why, with regret, we will vote against this subamendment.

Mr. Brewin: Madam Speaker, the Liberal critic for external affairs has attempted to justify the Liberal failure to support the subamendment which we put forward.

Our subamendment has the effect of deleting what I can frankly only describe as weasel words "at this time" and the insertion of the term "offensive military action". The Liberal amendment is so vague when one examines the word it uses that it in fact permits even those in the Liberal Party who would have CF-18s support B-52 bombers over Kuwait and Iraq to be able to justify their support for that military action. It also permits the day after hostilities break out Liberals, who would want to participate in supporting at least in a defensive capacity the so-called land based assets to which the Minister of National Defence referred, to support that.

• (1550)

We simply say that is not good enough. It is important for each member of this House to stand up and be counted on the fundamental issue: Shall Canada send in its troops to support the U.S. led military attack which we can expect momentarily against Kuwait and Iraq?

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on the amendment to the amendment. Is it the pleasure of the House to adopt the amendment to the amendment?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the amendment to the amendment will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

Before the taking of the vote:

Madam Deputy Speaker: On a point of order, the hon. member for Kamloops.

Mr. Riis: Madam Speaker, I wonder if you would seek unanimous consent to see whether there is not a disposition, as we did with the capital punishment vote, to vote row by row as we would do in a free vote.

Madam Deputy Speaker: The House has heard the suggestion of the hon. member for Kamloops. Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: There is no unanimous consent.

The House divided on the amendment to the amendment to the amendment which was negatived on the following division:

(*Division No. 387*)

YEAS

Members

Althouse	Angus
Axworthy (Saskatoon—Clark's Crossing)	Barrett
Benjamin	Black
Blaikie	Breaugh
Brewin	Butland
Edmonston	Fisher
Funk	Gardiner
Harvey (Edmonton East)	Heap
Hunter	Kristiansen
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Laporte	MacWilliam
McCurdy	McLaughlin
Mitchell	Murphy
Nystrom	Parker
Riis	Robinson
Rodriguez	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stupich	Taylor
Waddell	Whittaker
Young (Beaches—Woodbine)—39	

NAYS

Members

Allmand
Anderson
Arseneault
Attewell
Baker
Bellemare
Berger
Bevilacqua
Bjornson
Blais
Blondin
Bouchard (Roberval)
Boyer
Browes
Cadieux
Campbell (South West Nova)
Cardiff
Catterall
Champagne (Champlain)
Chrétien
Clark (Yellowhead)
Clifford
Collins
Cook
Corbeil
Couture
Crosbie (St. John's West)
Danis
DeBlois
Della Noce
Dingwall
Domm
Duceppe
Edwards
Fee
Ferguson
Finestone
Fontaine
Foster
Gaffney
Gauthier
Gibeau
Gray (Windsor West)
Grey (Beaver River)
Guilbault
Halliday
Harvard
Hicks
Holtmann
Horner
Hudon
Jacques
Jelinek
Joncas
Jourdenais
Karygiannis
Keyes
Kilgour (Edmonton Southeast)
Landry
Lapierre
Layton
Leblanc (Longueuil)
Lewis
Loiselle
MacDonald (Dartmouth)
MacLaren
Malone
Marchi
Marleau
Martin (Lincoln)
Mayer
McCreath
McKnight
Mifflin
Mills
Moore
Nault
Nowlan
Oberle
Pagtakhan
Anawak
Andre
Atkinson
Axworthy (Winnipeg South Centre)
Beatty
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bosley
Boudria
Brightwell
Caccia
Callbeck
Campbell (Vancouver Centre)
Casey
Chadwick
Charest
Clancy
Clark (Brandon—Souris)
Cole
Comuzzi
Cooper
Corbett
Crawford
Crosby (Halifax West)
Darling
de Cotret
Dick
Dionne
Dorin
Duplessis
Epp
Feltham
Ferland
Flis
Fontana
Fretz
Gagliano
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Guarnieri
Gustafson
Harb
Harvey (Chicoutimi)
Hockin
Hopkins
Horning
Hughes
James
Johnson
Jordan
Kaplan
Kempling
Kilger (Stormont—Dundas)
Koury
Langlois
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lee
Littlechild
MacAulay
MacDougall (Timiskaming)
MacLellan
Manley
Marin
Martin (Lasalle—Ér d)
Masse
Mazankowski
McDermid
Merrithew
Milliken
Monteith
Mulroney
Nicholson
Nunziata
O'Kurley
Parent
Peterson
Pickard
Porter
Proud
Redway
Ricard
Rideout
Rompkey
Schneider
Shields
Simmons
Soetens
Speller
Stewart
Thompson
Tobin
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vanclief
Venne
Vincent
Weiner
Wilbee
Assiniboia)
Wood
Young (Acadie—Bathurst)—210
Phinney
Plourde
Pronovost
Prud'homme
Reimer
Richardson
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Sobeski
Sparrow
Stevenson
Tardif
Thorkelson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Van de Walle
Vien
Wappel
White
Wilson (Swift Current—Maple Creek—
Wilson (Etobicoke Centre)
Worthy

[*Translation*]

Madam Deputy Speaker: I declare the amendment to the amendment lost.

[*English*]

Madam Deputy Speaker: Is the House ready for the next question?

Some hon. members: Agreed.

Madam Deputy Speaker: Therefore the question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the amendment will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Shall I dispense with the ringing of the bell?

Some hon. members: Agreed.

The House divided on the amendment, which was negatived on the following division:

(Division No. 388)

YEAS

Members

Allmand
Anawak
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Benjamin
Bevilacqua
Blaikie
Boudria
Brewin
Caccia
Campbell (South West Nova)
Chrétien
Comuzzi
Dingwall
Duceppe
Ferguson
Fisher
Fontana
Funk
Gagliano
Gauthier
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hopkins
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Kindy
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McCurdy
Mifflin
Mills
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Rideout
Robinson
Rompkey
Simmons
Skelly (Comox—Alberni)
Stewart
Taylor
Tremblay (Rosemont)
Waddell
Whittaker
Young (Acadie—Bathurst)
Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bellemare
Berger
Black
Blondin
Breaugh
Butland
Callbeck
Catterall
Clancy
Crawford
Dionne
Edmonston
Finestone
Flis
Foster
Gaffney
Gardiner
Gérin
Guarnieri
Harvard
Heap
Hunter
Kaplan
Keyes
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)
Laporte
Leblanc (Longueuil)
MacAulay
MacLaren
MacWilliam
Marchi
Martin (Lasalle—Émard)
McLaughlin
Milliken
Mitchell
Nault
Nystrom
Parent
Peterson
Pickard
Prud'homme
Riis
Rodriguez
Samson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—116

NAYS

Members

Anderson
Atkinson
Beatty
Bernier
Bjornson
Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blais
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Clark (Yellowhead)
Clifford
Collins
Cooper
Corbett
Crosbie (St. John's West)
Danis
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gibeau
Greene
Guilbault
Halliday
Hicks
Holtmann
Horning
Hughes
James
Johnson
Jourdenais
Koury
Langlois
Layton
Littlechild
MacDougall (Timiskaming)
Marin
Masse
Mazankowski
McDermid
Merrithew
Moore
Nicholson
Oberle
Plourde
Pronovost
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vien
Weiner
Wilbee
Assiniboia)
Worthy—134
Blenkarn
Bouchard (Roberval)
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Brandon—Souris)
Cole
Cook
Corbeil
Couture
Crosby (Halifax West)
Darling
de Cotret
Dick
Dorin
Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hockin
Horner
Hudon
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Loiselle
Malone
Martin (Lincoln)
Mayer
McCreath
McKnight
Monteith
Mulroney
Nowlan
O'Kurley
Porter
Redway
Ricard
Robitaille
Schneider
Shields
Sobeski
Sparrow
Tardif
Thorkelson
Tremblay (Lotbinière)
Valcourt
Venne
Vincent
White
Wilson (Swift Current—Maple Creek—
Wilson (Etobicoke Centre)

Madam Deputy Speaker: I declare the amendment lost.

Right Hon. John N. Turner (Vancouver Quadra): Madam Speaker, the matter which has brought the House together today under an emergency session could not be at once more sombre or more momentous.

Our words here by themselves will not decide war and peace, yet we in this House should not in any way diminish the importance of what we say. Above all, we should not diminish the importance of where Canada stands in these very grave days.

• (1650)

Let us be clear from the outset. All of us in this House are united in our desire to see Saddam Hussein out of Kuwait. While we may have differing views as to how that should come about, we are all agreed on that objective.

[*Translation*]

Madam Speaker, I am glad that the government recalled Parliament. As parliamentarians we have important decisions to make, but each member, like each Canadian, has a moral problem. We are all convinced that war is frightening and we have always been in favour of peace. But at what price? We can say that collective security is at stake and that we must act quickly, but then we can also plead for more time to make the sanctions work. We all know that Iraq has rejected any diplomatic initiative, any compromise, any avenue for a potential settlement, whether it comes from France, Jordania, Yemen, the United Nations, Javier Perez de Cuellar, Egypt, Algeria, and so on.

I think that the members who spoke before me gave a good description of the horrors of war, but the basic question is this: What alternative is left if sanctions, diplomatic moves and threats fail before the intransigence of Saddam Hussein? As a nation we have always defended the principle of the sovereignty of our country. We have been and still are among the highly respected members of the United Nations, so how could we choose to ignore our commitments in this instance?

[*English*]

The matter which seizes us today transcends the merely personal, the merely partisan, and the seeking of political advantage.

This Parliament and our country, Canada, are faced with a clear choice. We can continue to stand behind the United Nations and its resolutions for which we voted and which told Iraq what it must do to avoid war.

We can remain an integral part of the most determined demonstration of collective political will ever marshalled by the United Nations to stand up against aggression. In my view it is the choice which all our history and the long tradition of Canada's support for the United Nations oblige us to make today.

To do otherwise would repudiate the votes we have unfailingly cast in support of the United Nations resolutions. It would also repudiate our commitment to internationalism and to the United Nations, the hallmarks of the Liberal Party and Canada's foreign policy for decades.

At the very moment when the United Nations has moved itself to take a strong, unambiguous and collective stand against a brutal aggressor, Canada should not break solidarity with the nations that are standing united against Iraq.

Some hon. members: Hear, hear.

Mr. Turner (Vancouver Quadra): To do so would give Saddam Hussein what he has been trying unsuccessfully to achieve by every desperate means these past months and weeks.

It has been said that Canada should not stand up to Hussein because this is a dispute about oil on the other side of the world, that it is not in Canada's interests to become embroiled.

Others have compared a war in the gulf to Vietnam, saying it would be an American war for American interests. It has also been argued that the Persian Gulf countries were the creation of occupying colonial powers and many of these nations are mere fiefdoms with capricious and arbitrary borders.

The most persuasive argument against the use of force is that sanctions should be given more time to work.

In my view all these reasons are in the end invalid. None of them justifies any weakening of the collective will now mustered to hold to the United Nations resolutions.

Some hon. members: Hear, hear.

Mr. Turner (Vancouver Quadra): Yes, there is oil at stake in this dispute. If this aggression were allowed, Hussein would control nearly one-quarter of the world's supply of oil. The prospect of being in thrall to him for oil is particularly ominous. To the United States, to Canada, and to other wealthy countries with their own

oil supplies, it is a little more costly and inconvenient; to Europe, a little more serious; to Japan, it is vital; to the Third World, it is disastrous. Those are the countries that would be least able to pay ransom prices that would be imposed.

The United Nations has not stood up to Hussein for the sake of oil. The stake is much higher.

What about the Vietnamese comparison? The critical difference between what happened in Vietnam and what may happen in the gulf is that now the United States is not acting alone, though it is ready to bear by far the largest burden. The nations of the world have arrayed an unprecedented military alliance against Iraq under the auspices, through, and with the authority of the United Nations.

Some hon. members: Hear, hear.

Mr. Turner (Vancouver Quadra): The United Nations, not the United States, set the January 15 deadline. Anyone who knows the United Nations and knows that institution, knows that it is very jealous in being master of its own destiny. Nobody pushes the United Nations around, not even the United States. No one nation, especially not the United States, is able to impose marching orders on that institution.

No, this is not an American adventure. It is a United Nations action in collective security, one of the greatest historic developments of our time, certainly in my lifetime, since the Second World War, one with enormous impact for the future.

The credibility of the United Nations is at stake. You do not have to know much about history to know that the League of Nations, after it failed to respond to Manchuria and failed to respond to Abyssinia, was finished. Its credibility was sapped, diluted, gone. This is one of those important moments in history.

I know there are those who want to limit Canada's role to peacekeeping. The fact is peace must be established first and unilateral aggression repulsed before peacekeeping can be effective.

Some hon. members: Hear, hear.

Mr. Turner (Vancouver Quadra): The whole history and tradition and commitment of the party to which I have belonged for 35 years has been in support of the United Nations. Our people were there at the beginning, upholding the principle of collective security and supporting the resolutions and actions of the United Nations.

This is a crucial test for that international organization. This is a crucial test for the United Nations, and Canada must support it. This is a crucial test for collective security, and Canada must support it.

Some hon. members: Hear, hear.

• (1700)

Mr. Turner (Vancouver Quadra): Mr. Speaker, the failure of the United Nations to act upon its resolutions would lead eventually to instability, to non-credibility and perhaps to international anarchy.

Aggressors would have hope of profiting from their aggression. Saddam Hussein would sponsor other Husseins, aggressors who would use chemical warfare on both the enemy and even on their own people as Hussein has done, aggressors who would use nuclear weapons should, God forbid, they possess them.

As to how the Persian Gulf states came to be, that makes an interesting historical study. I believe that history is irrelevant today. What is relevant is that there is a sovereign country, or was a sovereign country called Kuwait, which was brutally invaded by a neighbour for no other reason except that it was coveted.

Even if the case for sanctions could be made, and it is a strong case, the issue today is not sanctions. The issue today is whether the United Nations resolutions will be obeyed. It was the United Nations that decided the date. It was the United Nations that decided not to wait for sanctions and it was the United Nations that imposed its own deadline.

Some hon. members: Hear, hear.

Mr. Turner (Vancouver Quadra): Madam Speaker, the issue before us, before the House and before the world, is whose will is going to prevail: the ambitious will of Saddam Hussein who would hold, at the very least, the Arab world under his thumb, or the collective will of the world expressed as uniquely as it can be expressed within the forum of the United Nations with a rare singleness of purpose never in my lifetime seen by an international body.

If the alliance against Iraq were to fall into disarray from good intentions, from walking too many last miles, the impact upon the future of the United Nations would be devastating to the future efforts of collective security. The United Nations would be fatally exposed as the

League of Nations was so ruthlessly, as being simply incapable of standing up to aggression, even to a brutal bully like Hussein.

Canada has had a proud role in the United Nations right from the beginning. This country has stood by the United Nations even when other countries, including the United States, lost faith in that organization.

Some hon. members: Hear, hear.

Mr. Turner (Vancouver Quadra): It is no accident that we have relied as Canadians upon the fiat of international institutions, the International Monetary Fund as the Minister of Finance knows, the General Agreement on Tariff and Trade, and I will leave that argument alone. But with the United Nations we have believed in internationalizing our institutions. We have never treated the United Nations as irrelevant. We have never treated it as merely a talking shop. As Canadians we may have lost some idealism but we never lost faith in the United Nations.

This issue is one on which I had to break silence. Since June I have remained quiet except for the odd lecture at a university. I felt the question before the House was paramount for us as elected representatives of the people of Canada for our country. I felt that each member must speak out as a Canadian, and more than that, as a citizen of the world, because the future of the world order is at stake, and stability and future peace.

I believe that this Parliament has a duty to support the United Nations resolutions as those texts are written, and therefore, the resolution before this House.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, this is not an easy situation but in life—this is a comment I am making—there are difficult situations. But when one is firmly convinced about what one is going to do and should do, well one does like the right hon. member for Vancouver Quadra just did, one speaks out.

But there are others who are just as convinced about what we are going to do and what we must do, and this is why I will make only a brief comment.

Hon. members are aware of my great respect for the right hon. member for Vancouver Quadra who has been my friend for 35 years.

[*English*]

I also have belonged to the Liberal Party for close to 40 years. The Liberal Party I stand for is a party that is about to vote against this motion. I can give many explanations which are contrary to those of my right hon. friend. This is not a United Nations declaration of war. If that were the case we would have different kinds of speeches.

Some hon. members: Hear, hear.

Mr. Prud'homme: The reading of the situation by my right hon. friend is a reading that I do not share. Therefore I will sit down. I regret it, but I had to say it. Accordingly, with great regret, because friendships sometimes can be broken—I will not break my friendship with my right hon. friend—I will say that I honestly, profoundly, and totally disagree with his reading of the situation.

Some hon. members: Hear, hear.

Mr. Jim Peterson (Willowdale): Madam Speaker, I feel that the process of democracy has been enhanced by the fact that people can speak so freely in this the highest institution in our country.

The fact that I may disagree with the previous member does not detract from the seriousness and importance of each one of us taking a decision, not only to reflect the wishes of our constituents, but to reflect what is utmost in terms of conscience, and to bear the heavy burden of what is involved in war, the possibility of war and death.

Might I ask the hon. member for Vancouver Quadra, for whom all of us in this House have tremendous respect, whether he feels, because in his words the ultimate question is support for the United Nations, not a question of war, not a question of whether sanctions should go longer, that the United Nations itself is being denigrated by the fact that all the provisions of chapter 7 have not been followed in the pursuit of this effort by the multinational force, that there is not a flag of the UN, that the military committee has not been appointed in accordance with articles 46 and 47. Does that not denigrate the role of the United Nations itself?

• (1710)

Mr. Turner (Vancouver Quadra): Madam Speaker, my answer to my good friend is no.

Mr. John Nunziata (York South—Weston): Madam Speaker, I have been a member of this House for six years and I would like to put a question to the member for Vancouver Quadra.

On a number of occasions, while he was leader of the Liberal Party, we had occasion to vote in this House on matters that some of us considered matters of conscience, in particular the votes on the Meech Lake Accord and on cruise missile testing. At the time the member said it was essential that the party stick together, even though some of us felt that we ought to express our own point of view.

I would like to ask the member for Vancouver Quadra what has changed. What makes this matter of conscience any different from other matters of conscience that this Parliament has had to deal with? Can he explain, if his views are so strongly held, why he did not attend caucus over the last six months to explain to his colleagues—

Madam Deputy Speaker: I would find it rather difficult to apply the question, which the hon. member has just asked, to the intervention made by the right hon. member for Vancouver Quadra. Resuming debate, the hon. Minister of National Defence.

Hon. Bill McKnight (Minister of National Defence): Madam Speaker, I have been a member of this House since 1979. I have heard people make speeches because they should make speeches. I have heard people make speeches that were important and will be read. I have just heard a fine speech from the right hon. member for Vancouver Quadra and one that will be read not only in this Parliament in later years, but in others. I want to thank him.

I do not thank the hon. member, Madam Speaker, on my behalf of my party, but I thank him on behalf of other Canadians. I thank him on behalf of the men and women who are serving Canada today in the Persian Gulf and will serve Canada tomorrow in others areas of the world, continuing to bring about peace and security and a more peaceful order so that we all can have the kind of world that we wish. Those men and women will appreciate, I am sure, the depth of the hon. member's feelings, not just from the way he delivered his address, but from the decision he made to deliver his address.

We gather here in a very serious and difficult time for the world. Last evening the deadline established by the United Nations in resolution 678 had passed. As the Prime Minister said yesterday, "The opportunity to bring about peace or war was that of Saddam Hussein". It was his decision to make. He initiated a crisis in August by his naked aggression against Kuwait. He could have ended that aggression in a peaceful manner.

From the outset Canada has played an active role in the management of this crisis. Canadian forces ships and aircraft have been on patrol in the region for the last number of months. We sought to have a peaceful end to this crisis. No one in this House, no one in this Parliament seeks war.

What we seek is justice for Kuwait and order in that region of the world.

Members of the House should understand part of the sense of why Canada is in the gulf, and why we will continue to do our part to support the United Nations and the international coalition that has been assembled.

I want to take the next couple of minutes to review some of the activities that have taken place and how this crisis came to cause Canadian men and women to be deployed in the Persian Gulf region.

I want to address the central issue. The central issue of this crisis is pure and naked aggression, brutal and unprovoked. The central question for the world is can we allow that aggression to remain unchallenged. I want to remind the House how this crisis started and why.

On August 2, when Iraq launched a massive invasion in the middle of the night against its much smaller neighbour, Kuwait, it used a force of some 150,000 military personnel, some 12,000 tanks, and some 1,000 armoured vehicles. It used those against the people of Kuwait who had a military force of some 20,000, one-fiftieth of the military force of over one million that Iraq has.

Iraq not only captured Kuwait City, but began a systematic ravaging and pillaging of the country's resources and its most precious resource people.

The human tragedy of Kuwait has been documented by Amnesty International. It has been mentioned in the House. It does not need repeating. But this is the ugly reality of today. Today, as we speak and debate what Canada's part should be, that ugly reality continues and a nation of people are being destroyed.

There has been much said about the impressive array of international forces that have been assembled. There has been much discussion that this is an American-led initiative. There has been much discussion in the House about Canada following instructions, false as those accusations are, of another country.

I want to remind members of the House that in 1939, when it sent its young men and women into battle, Canada did not follow the instructions of the United States. I want to remind the men and women in the House that in 1940 Canada did not follow the lead of the United States. I want to remind them that in Korea Canada did not follow the lead of the United States. Canada has made its own decision over its history as to how to take part and how to contribute to world order. It is making that decision today, independent of any other thought because it is right to make that decision.

Some hon. members: Hear, hear.

Mr. McKnight: Nine Arab states are part of the international force. The newly emerging democracies of eastern Europe—Bulgaria, Czechoslovakia, Poland—are making a contribution to world order. Two states from the African continent, Niger and Senegal, are making a contribution. Why?

The right hon. member for Vancouver Quadra and the right hon. Secretary of State for External Affairs both identified in their addresses to the House the damage, harm, and deprivation that this naked aggression by Iraq is causing the poorest of the poor in the world.

• (1720)

There has been discussion from Iraq and an explanation put forward to the world that in some way this would assist the Palestinian cause, or in some way this was to resist economic aggression by the small country of Kuwait. This aggression took place for no reason but pure greed and power on behalf of Saddam Hussein and his wish for himself. That is what caused the crisis that we are debating today. It is power and profit on behalf of Saddam Hussein.

There is no difference between what we see in the response of the United Nations today and how it has attempted to respond in the past. I say to hon. members that there is a new reality in the United Nations today. It is because of the end of the cold war. It is because of the resolution between the two superpowers that both the United States and the U.S.S.R. will use the United Nations now as an instrument of world order.

When we sent Canadian men and women to the gulf to enforce the embargo against Iraq authorized by the United Nations, we had hoped, as all citizens of this country and other countries had hoped, that the sanctions would bring about the withdrawal of Saddam Hussein.

Some 12 solemn resolutions of the United Nations, from 660 to 678, were all designed to bring about the removal of the aggressor in Kuwait. It has to be remembered that during that time Saddam Hussein, even in the pause for peace, continued to build up his military strength, to occupy the country of Kuwait, and to brutalize the people of that nation.

When we take a look at what would happen, I found it very difficult yesterday when the Leader of the Liberal Party in his address said: "What is wrong with the status quo at this time?" What is wrong with the status quo is that a country is being occupied, its citizens are being brutalized, and a region of the world is in disorder. Order has to be restored.

The pillage and the occupation continues, and the international community has made a decision on a resolution co-sponsored by the United Kingdom, the United States, the U.S.S.R., and Canada. That is resolution 678 which demands that Iraq withdraw from Kuwait by a deadline. That deadline has passed and the Security Council said if that deadline has passed, states were authorized to use all necessary means to bring about Iraq's withdrawal.

It does not constitute any change in the objectives of the Security Council from the start, from 660. Resolution 660 called upon Iraq to remove itself from Kuwait. Every resolution since that, including 678, wants to bring about and is designed to bring about the same thing, the removal of Saddam Hussein.

I have heard in the House that there was something wrong with the drafting of the UN resolution. As much as I admire the intellect of my colleagues on the other side of the aisle, I do not believe that their intellect is superior to that of the United Nations assembled, to the Secretary-General of the United Nations, and to the legal staff of the United Nations body.

I have heard from both opposition parties that this is somehow a maverick resolution, that this is somehow something that is illegal. This is beyond my comprehension. As intelligent as the individuals we have in this House may be, their combined intellect and their combined desire for justice does not exceed that of the United Nations assembled to bring about order to this world.

Two generations of Canadians, because of geography and because of our neighbours, have grown up believing that Canada's role in restoring order is that of peacekeeping, which Canada has done and will continue to do in a very efficient manner. Despite Canada's fortune in geography and neighbours, we cannot forget the history that Canada has. Even in peacekeeping there are severe risks.

The Leader of the Liberal Party, in his address yesterday, said: "What did Canada do at the invasion of Cyprus? It did nothing." I want to remind the House that in that invasion, Canadians were there as peacekeepers. They became involved in a confrontation. Two Canadians from the first commando in Quebec died keeping the peace. Two Stars of Courage and eight medals for bravery were awarded to Canadian men and women who were there keeping the peace in Cyprus.

Another thing that I found strange about the address yesterday by the Leader of the Official Opposition was the statement that it has been the policy of Canada, since 1956, only to enter into military combat under the United Nations. That belies the proud history of his party in bringing Canada into NATO, bringing Canada into a NORAD agreement, and bringing Canada into a world body such as the United Nations.

A country structured like Canada cannot provide its security independently. That is why collective security for the people of Canada is the only kind of security that can be procured. That was recognized 40 or 50 years ago: If Canada wanted to be secure we had to join with others in providing collective security.

We forget sometimes that the first aim of the United Nations was to spare succeeding generations from the scourge of war. The preferred means is a peaceful, diplomatic resolution to conflict. The United Nations founders recognized, shortly after 1945 following the Second World War, that it could not just be a place to talk, that it had to be able to act.

Canada has been very active in talking and supporting in the United Nations but we have to be prepared to act. Everything that we have said, through successive governments of different political parties, has been to use the institution to bring about a peaceful resolution to world conflict. If it cannot be brought about peacefully, the United Nations found a way in its resolutions to bring it about by collective security, by joining together, using force and waging war.

• (1730)

I have some difficulty when I have to reconcile in my own mind why someone would suggest that only 50 per cent or 60 per cent of the population of Canada are against war. I know a lot of Canadians. I know a lot of people on both sides of the aisle in this House. I know some of them well. I do not know any of them who want war. I do not know a Canadian who wants war. Most of all, with my responsibilities for the Canadian forces, the people who least want war are those whose duty and responsibility it falls upon to fight.

There comes with the responsibility of governing and the responsibility of service in the Canadian forces the responsibility to make decisions. The Government of Canada has to make decisions. If we do not take that responsibility and understand it, then the people who voted for us, whether they believe today that the people who voted for us voted improperly, voted for us to make a decision as a government.

We have made a decision not inconsistent with decisions made by previous governments and governments of different political parties, but we made a decision. That is what comes with the responsibility of government. That is what comes with the responsibility of leadership and that is what comes with the responsibility as a Minister of National Defence to advise his cabinet and his Prime Minister. It is not easy. But, when you ask for advice and you ask the men and women who serve and who are professionals in their careers, if the government makes a decision, can you fulfil a commitment made by the government, the answer is yes.

We have had a debate about the roles and future roles of the Canadian forces. I can say to the House with all sincerity that the roles that the Canadian men and women who serve in the Canadian forces will undertake, whether today or in the future, will be roles that they are capable of taking. They will be roles that they trained for and roles that will minimize the risk, if you can minimize risk in a war.

That is what a government does. It makes a decision, maybe not for today, maybe the decision that we made is for tomorrow and tomorrow and tomorrow. I believe it is. I believe that the opportunity to contribute to world order. A responsible government that leads a democracy and a government that has the country of Canada and the history of Canada to support it, has the responsibility that we have taken.

We on this side of the House, basically as parliamentarians and partisan politicians, have to look at what we do after this debate.

After this debate, if the motion that is before the House is supported, the Parliament of Canada has spoken and the government has made a decision. In our system of democracy and our parliamentary system, it is difficult not to be partisan after a debate. It is difficult not to continue to carry on the political debate after the votes have been taken. We are able to do it as persons with one another but we are not able, in most cases, to do it as political parties.

If there is one thing that I admire about my cousins south of the border, it is that after the debate and after the decision has been made and the political points have been made, what do Republicans and Democrats do? They go ahead and they say: "I was involved in the debate and I did not succeed in convincing my colleagues but my country needs my support, my President needs my support, and therefore I will do it and I will support my country." That is what we ask. That is what the men and women who serve Canada and what the population of Canada deserve.

Madam Speaker, I would like to move under Standing Order 26:

That this House continue to sit beyond the ordinary hour of adjournment to continue the debate on motion 27.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

And more than 15 members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 26(2), the motion is deemed to have been withdrawn.

Mr. Riis: Madam Speaker, I rise on a short point of order. There have been discussions for most of the day to attempt to arrive at a suitable debating schedule on what has to be the most important debate this House has seen in decades.

We offered earlier today, without any question, to sit until at least midnight to discuss these important issues, as we did last night. I am not certain of the wisdom of sitting in the middle of the night, considering many people are watching these debates and want to watch these debates. There are a whole set of questions to be asked.

I want to make the point that continuous negotiations between the parties have occurred during the day. All of a sudden, out of the blue, comes this initiative that, in a sense, is rigged in favour of the government. I do not know whether the government wants to get out of debating this issue as quickly as possible. I do not know whether it wants to go on a holiday as a result of the embarrassment of its position, but I do not understand this initiative.

We are prepared to debate for days and days. We are prepared to debate late at night and early in the morning. While we are saying that we are not prepared to debate around the clock so that the debate will in a sense be curtailed, we are prepared to discuss further, if it is the wish of the House leaders from the other parties to see if we can come to a decision on a debate for the rest of the day. If that is not to be done and we have no assurance of that, then I am afraid that the debate will be ending at six o'clock.

• (1740)

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I find the New Democratic Party's position somewhat perplexing. We just heard this party refuse to allow the House to extend the debate past the usual time

of adjournment at 6 p.m., in order to give all members of this House who have not yet had a chance to speak an opportunity to take advantage of their democratic right to speak freely to this important issue. And now, after denying us this opportunity to extend the sitting of the House past 6 p.m., it now wants to sit until midnight.

We are prepared to sit until midnight. However, we would have preferred to continue the debate so that all members of this House would have an opportunity to speak. I do not see why hon. members will not give us that opportunity. They refused to do so yesterday, and they are again refusing today. In any case, the House has our unanimous consent to sit past 6 p.m., until midnight.

Subsequently we may have a chance to make further arrangements with you, Madam Speaker, meaning that when it is the Liberals' turn to speak we intend to ask for permission to share speaking time and have two periods of 10 minutes, thus giving more members a chance to speak.

[*English*]

Mr. Riis: Madam Speaker, I would perhaps like to make a couple of suggestions. It is our intention to provide an opportunity so that every single member of Parliament who wishes to speak on this issue has that opportunity.

Some hon. members: Hear, hear.

Mr. Riis: As a matter of fact, Madam Speaker, earlier today my leader indicated that we are prepared to start earlier in the morning, to speak until midnight every night, to speak on the weekends, Saturdays, Sundays, if that is what is necessary so that everyone has an opportunity to make a serious speech on this issue.

The question is that at this point I want to seek unanimous consent—we can discuss this later into the evening in terms of facilitating debate so that all members have an opportunity to speak—and at least agree now that the House sit until twelve o'clock tonight to continue the debate.

Some hon. members: Hear, hear.

Mr. Cooper: Madam Speaker, I must say that I am surprised by some of the comments of the House leader for the New Democratic Party who implies to this House—

An hon. member: Oh, oh.

Mr. Cooper: I am sorry. I listened quietly and patiently while your member spoke. Please do me the same courtesy.

Madam Deputy Speaker: If negotiations between parties have to be done on the floor of the House of Commons, maybe we should do it with courtesy.

Mr. Cooper: Madam Speaker, I am surprised when the House leader of the New Democratic Party rises and says that he was surprised by the motion put by the minister. He, of course, was not. I had advised him that that was going to happen and that we were quite prepared to discuss and negotiate any terms and, in fact, we have been carrying on those discussions since early this morning.

In fact, Madam Speaker, you will know that this side co–operated as did all members of the House, in making sure that the New Democratic Party had an opportunity to move a subamendment when its first subamendment had been ruled out of order. We do not need to take any lessons in terms of co–operation and fairness on this side of the House, and in fact I think all members of the House.

We are quite prepared to sit until two, three, four or five in the morning. We are prepared to sit all night because we would like every member of this House to have an opportunity to participate in the debate, including the independent members with whom I have spoken and who have indicated that they are prepared to sit through the night to have an opportunity to participate in this important debate as well. We are prepared to do that.

I do want to signal, Madam Speaker, that we are prepared to sit until midnight in the hopes that the New Democratic Party members will co–operate not just with the government side, but with all members of this House who wish to speak tonight and that they will reconsider their position and allow this House to sit beyond twelve o'clock this evening because, as they know and all of us know, we have a large number of members who wish to participate in this debate.

Miss Grey: Madam Speaker, I would just like to intervene briefly to say that it was my impression, especially from the NDP, that this House was called back to debate the gulf issue. I find it very ironic—and many other people do too, I am sure—to say: Why would we then cut it off at midnight?

If we are here to debate the gulf issue—and it is in fact that important—I would certainly recommend that the NDP reconsider and say: if this that important, let us continue and not just break at midnight.

Mr. Manley: Madam Speaker, I would like to say as an ordinary member of Parliament that I do not know what the House leaders have talked about or what agreements or disagreements have occurred.

I want to speak before the fighting starts. I am prepared, and I dearly hope that opportunity is afforded to me. I will come at midnight. I will come at three in the morning. I will come at five in the morning. But I want to speak about what is in my heart and what my constituents want to hear in the House of Commons before it is too late.

Mr. Angus: Madam Speaker, one of the responsibilities of Whips in all three parties is to determine the amount of time needed for all members to speak. If every member is to be given 10 minutes, we will need at least 60 hours of debating time.

I would like to suggest that part of the reason for negotiations is the fact that we do not want the government to stop debate arbitrarily, whether it is tomorrow or Friday, and move on to government business not having brought the motion to a vote, while at the same time working to ensure that our members, Liberal members, government members, and Independent members of the House have the full opportunity to speak. We do not want to take a chance on the government giving extended hours with unlimited time and having the vote collapse, or arriving tomorrow at Question Period and finding that the government does not bring the motion forward. We want some guarantees that the people of Canada will have the right to hear from every member of Parliament on this issue.

Mr. Nowlan: Madam Speaker, I share the views of my friend from Beaver River. This is a special session called to debate this issue. I have listened to my hon. friend from Thunder Bay—Atikokan. He is a very interesting individual and very ingenious.

I find it passing strange that we are debating such a fundamental issue in such a very serious way. We are going to work the clock, push the clock in at twelve o'clock and then adjourn and come back and back and back, when the people we are talking about who are very involved in this explosive situation are not working any clock.

I find it even more passing strange that the United States had a two-day debate with extended hours. The American senators and congressmen who found time to go until two and three o'clock on at least one night, if not two, all had a chance to speak.

I say to the hon. Parliamentary Secretary to the Leader of the Government in the House of Commons that I cannot understand why there would be any objection, since we are here on the second day when the Americans who have a heck of a lot more involved in this than we have were able to conclude their debate within two days, and since we do not have the extended hours to go all the way and fit the desires of all members to make sure that we all have a chance to speak, end it, and get the vote over before the whole thing is totally redundant.

[*Translation*]

Madam Deputy Speaker: It seems one thing is quite clear. All members in this House seem to agree that this issue should be debated.

In fact, we are now involved in negotiations which would normally take place behind the curtains.

If I am not mistaken, there seems to be consent, at least for now, for continuing debate until midnight. I suggest that we first accept this motion and members will then have a chance to discuss it. Any additions or other arrangements will be taken care of at that time.

Do I have unanimous consent of the House for extending this sitting until midnight?

Some hon. members: Agreed.

Madam Deputy Speaker: We will therefore proceed with the period for questions and comments following the speech of the Minister of Defence.

• (1750)

[*English*]

Mr. Jim Karygiannis (Scarborough—Agincourt): Madam Speaker, I listened very carefully to the Minister of National Defence.

The Minister of National Defence said: "We seek justice for Kuwait." The minister continued by stating that we cannot continue to let this aggression go unchallenged and by indicating the amount of tanks and the amount of personnel that Saddam Hussein unleashed on Kuwait. The minister kept on reminding the Canadian public what Canada has to do.

However, I am finding very disturbing this government's statements. It condemned the action against Kuwait, and yet this same government does not condemn actions against other such nations that are small and weak and wherein aggression has happened.

I found it very disturbing that the Ontario caucus chair of this government suggested that the United Nations peacekeeping forces should be withdrawn from Cyprus. Where is the justice? This government sends 2,000 men, 24 planes, and 3 ships. It is going to cost us over $400 million, and yet the government wants to cut 600 soldiers out of Cyprus. When that is done, the whole balance of Cyprus will collapse. The minister said that we lost two lives in Cyprus. I wonder how many lives we are going to lose in Kuwait.

My question for the minister is: Why the double standard? Does the minister not consider the aggression of Turkey toward Cyprus similar to the aggression of Iraq toward Kuwait? What is the difference here? Is it oil that is the difference? Or, is it that our bosses down in the states say that Cyprus should be divided so that we can have the *status quo* and the Embassy of Russia can be right across from the Embassy of the United States and they can look at each other?

My question is very simple, and I hope the minister will answer it without any rhetoric. Will he indicate today that the United Nations peacekeeping forces of Canadians will stay in Cyprus at their present strength of 600 men, that he will not move them out of there regardless of what suggestions come from his party? Yes or no?

Mr. McKnight: Madam Speaker, I understand the hon. member's concern, and I understand why it would appear that he was maybe putting his case in a more forceful manner than would be necessary.

What I said in my address was that the leader of his party had said that Canada did nothing when Cyprus was attacked in 1974. In 1974, Canada had a small contingent of peacekeepers in Cyprus when Turkey attacked—

An hon. member: They moved to the south.

Mr. McKnight: The hon. member says that they moved to the south. I will inform the hon. member that they received fire from both sides, both Turkish and Greek Cypriots. Canadians who were there at that time attempting to keep the peace received fire from both Turks and Greeks on the Isle of Cyprus. During that time, two Canadian soldiers were killed, not by Canadians, I can assure the member, but by the people who were on the island at the time.

The Canadian peacekeeping commitment in Cyprus, I remind the hon. member, is not assessed through the United Nations as are other peacekeeping commitments under the UN auspices. Canada has been supporting that peacekeeping effort for 27 years. That is a commitment to peace. It is a commitment to peace that Canada will carry throughout the world.

The member is asking a question. They are there now. There is another rotation scheduled and there may be another rotation scheduled at that time. I tell the hon. member—I know he must know this—that the mandate is renewed every six months. Therefore there can be a change. But, there is another rotation scheduled, and there is another rotation scheduled, and there may be a change. There may be a change in the United Nations.

The hon. member is asking us now to act outside the authority of the United Nations. I know he does not mean that, and I will sit down at this time.

Mr. John Brewin (Victoria): Madam Speaker, I am sorry that I missed the first part of the minister's speech. I will read it carefully in *Hansard*. There was certainly excitement in the speaker preceding him which attracted certain attention out in the lobby. I apologize to him for that.

There are many issues we could discuss in this brief period. Let me raise two, the first being the field hospital. I am frankly a bit disappointed that the government did not announce this in the House or provide us with the background information in advance of the announcement. I do have, therefore, a couple of questions about it.

First of all, could the minister indicate to what extent there remained, after the disposition of the field hospital resources in response to the British request, other field hospital resources available to the Canadian forces? What alternatives were explored, in particular, in view of the anticipated casualties among civilians on both sides, among the nationals on all sides in this matter? Is Canada looking at any other requests, or is it considering any other disposition? Will it be able to respond to these?

We see the situation of the refugees, the situation of the migrant workers. Many civilians will be hurt in this war. What exploration did the government make of the possibility of UN supervision or organization of this, or the International Red Cross? The International Red Cross has generally in the past been involved in these kinds of activities.

It seems to us that the accession to the request, humanitarian though that may be, is another step, another escalation of this government's involvement in the assault on the Iraqi positions in Kuwait and Iraq. We understand the government believes that is important, but the government creeps toward this commitment and it gives us great concern.

I may have asked too many questions to be answered in a brief period of time. It may be the minister will find some other opportunity to do it. I guess as I framed the questions I realized it was probably impractical to ask the minister the second question, but I will give him notice that I hope at some point to discuss with him the government's understanding of what is to happen after the forces go into Kuwait and assuming they are successful. What regime will be established afterward? What steps are being taken? What estimates are being made of the future?

If he gets a chance to answer those last questions, I would appreciate it now, but basically I would appreciate it if he would focus on the field hospital first.

Mr. McKnight: Madam Speaker, the hon. member is accurate. He asked several questions, and I was not able to write them all down. If I forget to answer some, I am sure that he will remind me.

We received a request from the United Kingdom originally for some 600 beds for a surgical hospital. We had to staff it. We did not have that capacity in Canada.

• (1800)

As we staffed the request, it became apparent that we would be able to assemble a field hospital of some 100 beds, totally self-contained and totally sustained by a complement of 550 Canadians.

We were able to find the transportation methods. We were able to acquire a Ro-Ro ship, and we made the announcement today because it was important it be made as early as possible. I made it via press release prior to Question Period, but I was certainly prepared to answer questions in the House.

The hon. member can inquire but I am not sure of how many other countries were approached by the United Kingdom to provide field surgical hospital support, but I would assume that it was not just Canada that they made that request of.

As to whether we consulted with the International Red Cross, no, we had not. When the International Red Cross feels a need to call upon countries, it initiates requests to countries if it believes it could receive the contribution it desires. We did not receive a request from the International Red Cross.

We received a request from members of the Government of the United Kingdom. Because of their increased commitment and their increased complement they did not feel they would be able to handle anticipated casualties. They would not be able to handle what they anticipated would be the prisoners of war who would need medical attention. Under the Geneva Convention they have a responsibility as do other nations. Therefore, they put out a request. We were pleased to be able to comply with that request.

It is, as the hon. member says, something we have not been doing because we believed that by January 15, Saddam Hussein would listen to the United Nations, listen to the resolutions, and remove himself.

The Prime Minister in his speech yesterday said that if he had not complied by midnight last night, Canada would use every effort, including force, to have him removed, along with the other collaborating nations. That, unfortunately, is where we are today. But Canada has made every effort. Other countries have made every effort. I have listened to two days of debate in the House and I have not heard any suggestion that I had not heard before.

I will conclude, Madam Speaker, as I know it is six o'clock. My colleagues should put forward suggestions. There are suggestions that sanctions have been working. I just want to tell the House that air sorties by Iraq from November to now have increased steadily by some 30 per cent. So there is no shortage of military parts and there is no shortage of aviation fuel.

Mr. Gauthier: On a point of order, Madam Speaker. We will be offering the minister some comments on his comments tonight. I am sure that he will appreciate—if he stays around—that we have made suggestions. We will make some more suggestions.

In that context, my caucus members would like to speak on this motion and therefore we would like to split our 20-minute allocation of time when the time comes around to the Liberal caucus into two 10-minute speeches, followed by a period of 5 minutes for comments and questions. In that way, we will get twice as many members of the Liberal caucus to speak. We hope the minister will stay around and listen to us because we have a lot of good suggestions to make to him.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I am very grateful to have the opportunity to address the House on this most critical issue that is before us today.

For months we members of the opposition party have been trying to find the answers to many questions from this government, but to no avail.

We agreed with many things that they did. We agreed with the government's imposition of mandatory, economic sanctions against Iraq. We supported the use of military forces under the authority of the UN, to ensure sanctions are upheld but we strongly disagreed with this government's decision to dispatch these forces before the UN authorized such action.

The government announced the dispatch of forces on August 10 and the UN Security Council only authorized such action by its member states on August 25. In addition, this was done without the recall of Parliament.

We called on the government to recall to Parliament so that this crisis and Canada's role in it could be debated. The government refused to do so. We now have the dubious honour, in the Parliament of Canada, of being the only western democracy not to have recalled its national legislative body or to have otherwise extensively consulted with legislators.

What does this mean, besides being an embarrassment to all Canadians? It means that Canadians were not granted the democratic freedom of having their elected officials bring their very real concerns to the floor of this House on an issue of this magnitude. We in this party believe that the government should have made an explicit commitment to Parliament not only to consult it but to also allow the House to decide, by way of a vote, whether or not Canada should actively participate in or otherwise support, an offensive military action against Iraq, before such action occurs.

This did not happen, nor is it happening with this debate on this particular motion. About the only thing the government motion before the House and its subsequent debate are allowing is, quite literally, an eleventh and a half hour airing of feelings.

Thousands upon thousands of people have collectively written or phoned their members of Parliament to show that they want peace. We keep talking about war. What is wrong with talking about peace? They are sending a message to this government that Canadians do not want war.

Of the dozens of constituents who have contacted my office in the past few days, only two have said they support the motion of this government. All the others are saying: give diplomacy, give sanctions and, therefore, peace a chance; we do not want war.

I would like to read from a few of the letters which came to my office. From a letter to the Prime Minister, I read: "Dear Mr. Mulroney: We would like to encourage you to continue a peaceful, non-military settlement in the Middle East. We believe the enforcement of sanctions must be given a chance to work. Canada must be courageous for peace". This letter was signed by 150 parishioners of the City View United Church, in the city of Nepean.

The second letter comes from a person, whose name I will not give, for obvious reasons. He says: "Canada has built a strong reputation with the United Nations as a country of peacekeepers. Let's keep the reputation; we are not aggressors. As a member of the Canadian Armed Forces, I am proud to be a peacekeeper and that doesn't mean being on the offensive. Have we given enough time for the sanctions imposed to work? I don't think so. Do we have to be American followers? I don't think so. Let us be a country that believes in peace and not commit ourselves to war".

I have a letter from another gentleman and, again, I will not give his name, starts off by saying, "While the leaders play ego, the innocent pay with their lives in the Arabian gulf. What I am seeing and hearing in the news has driven me to come out of my silence and share a side of the story of Iraq that has been totally ignored. I will speak for the innocent Iraqis. I defected from Iraq over 10 years ago and came to Canada. I do not have any empathy with the ruling regime but I certain do for the Iraqi people. The Iraqi people have barely survived, over 20 years, under the oppression of the ruthless leadership of Saddam Hussein. I have chosen Canada as my homeland for it represents the principles I hold dear. I feel that those ideals are being betrayed by the present Canadian government. One of the reasons I chose Canada was because of its even-handed approach and tolerance in dealing with international problems but, by aligning ourselves in a wartime stance, Canada and the Government of Canada is violating that stand".

• (1810)

This is from a Ken Toews from Nepean. "I am writing to express my dismay at our involvement in the escalating war in the Middle East. I agree that Saddam Hussein is an evil man. There have been many invasions in the past 10 years where more people were killed and brutalized worse than the Kuwaitis. The Americans did not get involved. The reason? They did not have an economic reason for it. Perhaps if we had not sold the Middle East so many arms they would not be fighting this war today."

This is from Jean Godt, also from Nepean. She says: "Eventually we are going to have a peace conference in the Middle East and we will have to address many of the demands Hussein and his supporters are making. So, why not bypass the war and have the peace conference now rather than satisfying the war-mongering hawks in the U.S." Doesn't that make sense? It is so simplistic. Let's have peace, forget about the war and sit around a table and talk.

This is from Caroline Fitzpatrick of Nepean would like to have more talks about peace and less about war. She says: "The resolution of the UN did not say go to war. Give sanctions a longer try." "Appalled at the thought of going to war", comes from Isabelle Muir. Leslie Arnold says: "Only supportive of war if UN votes to go to war and the UN has not voted to go to war". This is contrary to what someone said earlier here today.

Having prepared a 20-minute speech and now being told I have to make a 10-minute speech, I am having to jump a few pages. I would like to speak about who is going to win in this war. I do not think that anybody is going to win. Surely, it is not going to be us as Canadians.

There has been no clearly defined national Canadian interest in attacking Iraq. Iraq is not the winner, not with the military build-up that is set against it. It would be obliterated. Israel would not be the winner in a war if Iraq is attacked. Saddam Hussein has promised to launch a massive strike against Israel. Surely Kuwait is not the big winner if a war breaks out because it would, in all likelihood, be the scene of the hard fought, bloody trench warfare.

The Secretary of State and other government members opposite have suggested that we should participate in war against Iraq because of the human rights violations perpetrated by Saddam Hussein against the people of Kuwait and indeed his own people. We have seen this man wage one of the bloodiest wars in history against Iran. We have seen him conduct ruthless experiments with biological and chemical weaponry on his own people. We have seen him mercilessly gas the Kurds. The international community has been hesitant in the past to condemn his actions, perhaps because members of the international community have had an agenda in which Saddam Hussein and his oil played the major role.

As my colleague, the member for Winnipeg South Centre, so eloquently pointed out in an earlier speech, all of us can carry some of the blame for the present situation. The world community has helped supply Saddam Hussein with the very weapons which he could well turn back on to us. What goes around comes around. What is the hurry now for Canada to enter a war without first giving sanctions and diplomacy a proper chance.

The government has suggested that sanctions, if given proper time, will not affect Hussein, because he will starve his own people before shortages would ever be allowed to reach his troops. They like to use the imagery of starving children. I have heard this argument over and over again. In other words they say, rather than starve the people, let's go in there and blow them all to kingdom come. I guess this is going to be a more humane way for these children of Iraq to die. This is absolute nonsense.

I say peace begotten of peace would be lasting and that future generations of children in the Middle East would benefit from a peaceful approach as profoundly and wonderfully as would this generation of children from the Middle East.

As Senate majority leader, George Mitchell, said: "War is such a grave undertaking, with such serious consequences, we must make certain that war is employed only as a last resort."

In closing, I would like to quote an excerpt from a November *The Ottawa Citizen* editorial, as well as yesterday's: "The resolution that Canada is considering voting for would be a double tragedy.

Not only would it start a war that is totally unnecessary, it would also administer a major defeat to the United Nations. The sanctions program is strictly a UN operation, controlled and directed by the Security Council. The military action under the proposed resolution would not be a UN operation. It would be an independent operation authorized by the Security Council but not supervised by it. Any war fought essentially by the U.S. and its allies would not be a UN war. There would be no blue helmets and no direction from the UN.

A peaceful resolution of this crisis will produce complications, granted, but not so many complications as would a war. We should not be fighting a war not of our own making, a war that might have been prevented and a war that may well create as many problems as it solves.

Hon. William Rompkey (Labrador): Madam Speaker, I am pleased that we are finally debating this issue in Parliament. We have been calling upon the Government of Canada to recall Parliament since last fall, since last summer in fact. I am glad that we are finally having this debate. Since the beginning when the Canadian forces were committed to the gulf initially to enforce sanctions, the government has treated Parliament as a rubber stamp, treated it with something close to contempt. I am glad that we are finally having this debate so that parliamentarians can express their views.

The resolution that we are debating today is really not the issue. The issue before Canadians now is should Canada be going to war or not. I think that it is worth reading into the record, as I have 10 minutes only, and as this makes many of the points that we had been making on this side of the House, the position of the United Nations Association in Canada, because what Mr. Geoffrey Grenville-Wood is saying, as the national President of the United Nations Association in Canada, is exactly what this party has been saying all along. I am going to read it into the record:

> The world awaits, with increasing trepidation, the expiry of the deadline imposed by the United Nations Security Council for the withdrawal of Iraqi troops from Kuwait.
>
> I believe that the Security Council Resolution, number 678 of November 29, giving the authority to use force was a bad resolution, bad for the United Nations and bad for world peace. In my view, it was not necessary. Sanctions should have been given a chance to have an effect.

He says further:

> Also, the resolution was arguably wrong in law in that it did not comply with the requirement in the United Nations Charter that sanctions had "proven to be inadequate", before force could be used.
>
> As recently as last month, the Director of the CIA told the U.S. Congress that given a reasonable time sanctions would have a crippling effect on the Iraqi economy.
>
> This resolution is bad also because it permits the United States and the others in the coalition to consider that the UN has now authorized them, in George Bush's words, to "kick arse". Well, the UN is not about (that). The organization was created at the end of the Second World War to save the peoples of the world from, in the words of the UN Charter, "the scourge of war". The Charter sets out a very clear step by step process that is to be followed to suppress aggression. The emphasis throughout this document is on the non-violent resolution of disputes.

His statement goes on:

> It is important to remember that any offensive action that might be undertaken will not be taken on behalf of the United Nations. This will not be a United Nations war.
>
> Yes, the Charter does permit the use of force, but only in very restricted circumstances and only as a last resort. I do not believe—

He says, as head of the United Nations Association in Canada:

> —we were at that stage when this resolution was passed, in November. And, in fact we are still not there.

Today, our House of Commons will be meeting to debate Canada's response to the latest turn of events. I ask all Members of Parliament to examine very carefully their position

In light of the dubious validity of Resolution 678, Canada should confine itself to continuing sanctions enforcement at sea and in the air, to providing emergency humanitarian assistance to the refugees inevitably created by the commencement of hostilities and to the provision of a field hospital, as recently requested by the United Kingdom.

Let Canada join with others in continuing the search for diplomatic solutions.

• (1820)

He concludes:

War is not necessary. Ask yourself, what will have been gained if literally tens of thousands of lives are lost in order to remove Iraq from Kuwait? Will the price be seen as worthwhile, if we can not be certain that the same objective could have been achieved without the loss of any lives?

Perhaps the time has come for a pause of good sense, for all our sakes.

That is the position of the United Nations Association in Canada and indeed, the position of this party. The government is not proposing to send us to war as part of a UN force. My colleague from Bonavista—Trinity—Conception has made that point repeatedly in the House of Commons.

We have, as Canadians, fought under the UN flag before. We have fought under the NATO flag before. But this is not a NATO flag. This is not a UN flag. The time now is not the same as we have seen in the past. We believe that sanctions have not had time to work. There was an article in *The New York Times* as recently as two days ago which said that sanctions will bite, and soon, and referred to evidence presented to the President of the United States by the CIA recently.

We believe that sanctions can work given time and that they should be given that time to work. We support those sanctions and have from the beginning. We have supported the presence of the Canadian forces in the Gulf. As one of those who has visited the Canadian forces, I want to say that we are proud on this side of the competence and the professionalism that the Canadian forces are showing in the gulf. Three per cent of the ships are ours, are Canadian ships, and yet we are doing 25 per cent of the interceptions.

We believe this is the course of action that we should continue and that the Canadian forces should not be put on a different footing at this time, that war is not inevitable. The position of this party is not that there should be peace at any cost, but that at this time it is not necessary to commit this country to war.

Indeed, the Government of Canada has not made the case for Canada going to war, not made the case that it is in Canada's best interest to go to war at this time. That appears also to be the public opinion in this country. We have seen a Gallup poll within the past day or so that shows that 56 per cent of Canadians believe that war is wrong for Canada at this time. Those figures change across the country. They are very strong in my part of the country and they are very strong in the province of Quebec. But 56 per cent of all Canadians feel that now is not the time for Canada to go to war.

I suspect that one of the reasons they feel this way is that they feel that historically the role of this country has been peacekeeper and not war-maker, and that inevitably when the conflict, if it should come, is over then there will be a need for peacekeeping and Canada will have a role to play. Canada will undoubtedly have lost a great deal of the credibility that we have had in the past and therefore we will have diminished our capability of playing the role of peacekeeper.

The position of this party is clear. We believe that war is an option always and we cannot rule out forever the option of war. But we believe this is not the time for this country to commit itself and its forces to war. We believe there is another course of action. We believe sanctions should be given more time to have their effect and that is the course of action that the government should be following. That is why we oppose this resolution.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I was wondering if the member would really categorize Canada's contribution as warlike.

We have three ships in the gulf patrolling to make sure that an embargo is enforced. We have 24 airplanes that will be patrolling air space over the gulf itself, according to the Minister of National Defence, to make sure that the military assets of the alliance are not attacked. We are possibly going to have a hospital there of which the hon. member approves.

Where is the warlike action by Canada that the member does not approve of? Where is the warlike activity that Canada is undertaking? Does the member not agree that as a peacekeeping group we ought to enforce an embargo, that we ought to make sure that those who are enforcing the embargo are protected from the air and that those who may be involved in hostilities are looked after in hospitals and protected with respect to their health and their physical being?

Is that not the kind of thing he ought to stand up and say: "Hear, hear. Canada ought to do this"?

Mr. Rompkey: Madam Speaker, the position is quite clear.

This party supports what the Canadian forces are doing in the gulf now, and has. It supports the ships, the role of the aircraft in patrolling for those ships and the presence of a field hospital. We have no problems with enforcing the sanctions and with Canadian forces helping to do that.

What we object to is the course of action that the government is on. The course of action the government is on is quite clear. I quote from the Prime Minister's speech: "Canada will join in expelling Hussein by force."

In those words, it is quite clear to all of us that the Prime Minister has committed the country to the course of war. This party is saying we do not agree with that. We think there are other options. We think there are other ways in which the Government of Canada should be acting. We do not agree with the words of the Prime Minister: "Canada will join in expelling Hussein by force."

That is not the position for Canada to be taking at this time. That is why this party objects.

Mr. Blenkarn: I am most interested.

Is it the view of this member, then, if the 30-odd countries that have forces there—including Britain, France and the United States—start hostilities in accordance with the UN resolution, that Canada should pick up its hospital if it is there and take it home, pick up its ships and take them home and send its aircraft home because we do not want to be part of what might be evicting Saddam Hussein by force?

Or, is it his view that simply being there as we clearly intend to be if force is used by our colleagues in the alliance, and enforcing and making sure that hostile actions do not take place against our allies in a defensive manner is in fact the kind of thing that we should not be involved in, that we should turn tail and run home? Is that the way he would have us support the United Nations?

Mr. Rompkey: First of all, Madam Speaker, the hon. member may have information that I do not have, but I do not have information that 30 countries are going to go to war against Iraq.

If that is what he is saying, he obviously has information that I do not have. I have no information that 30 countries are going to go to war against Iraq. If he can tell me which countries have declared war against Iraq, or which countries are going to, then I would listen to that argument.

From our point of view, we do not know which countries have taken those decisions.

Furthermore, it is our position that if we were to use that course of action it should be under a UN flag. We have no objection at all to supporting a UN force, as we have in the past Canadians have supported UN forces, but there is no UN flag here. There is no UN force at the moment, and therefore nothing for Canada to join.

• (1830)

Mr. Blenkarn: I presume the member has an objection to the Canadian flag; the Canadian flag should not fly over our forces but a UN flag, or a NATO flag, or somebody else's flag, but not our flag.

Is it the position of the Liberal Party that we should take our Canadian flag home, make sure it does not fly when there are hazards in the world enforcing UN resolutions? Is that the position of the Liberal Party?

Mr. Rompkey: I was happy to reply to the other two interventions because at least they had some substance but I am afraid that that particular intervention is just too silly to warrant a response.

Madam Deputy Speaker: On a point of order, the hon. parliamentary secretary.

Mr. Cooper: Madam Speaker, I would like to indicate to the House that we on this side would now like to break our speeches into the tens and of course the fives. However, I am sure that the House would agree, in the event there are no questions that perhaps what we could do at that point would be to move the third speaker into that third 10 minute spot in the normal 30 minutes allotted to our side.

Mr. MacDonald (Dartmouth): On a point of clarification, what the parliamentary secretary is proposing is not to do away with the 10 minute question and comment period but if there are no questions or comments, simply to expedite the debate by using it for another speaker. That is fine, Madam Speaker.

Madam Deputy Speaker: The motion is adopted. Resuming debate. The Associate Minister of National Defence.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, as I rise today to participate in this most grave debate, I think we are all aware that the situation in the gulf has become very serious indeed. The Canadian government joins with all Canadians in sadness that a peaceful solution to the Persian Gulf crisis now appears improbable.

The questions that we are discussing during this debate, and the questions that obviously need to be answered are: Why is Canada involved? What is the Canadian interest? What are, if any, the opportunities for diplomacy or sanctions to work? If hostilities break out, what would be the role and the participation of the Canadians who are serving there with the Canadian Armed Forces?

Let me make it clear. In terms of the Canadian interest and why Canadians are involved, in my mind there is only one course. The only course is for Canada as in our tradition, as in our history, to stand with the world community in our resolute opposition to the brutal invasion of Kuwait and the disruption of order and stability in the Middle East that has followed.

Yes, such resolve does bring the risk of armed conflict, but in my mind the failure to stand as one with the world community would stand not only as a tragic betrayal of our history and of our collective security but would also devastate the United Nations as an instrument of global security.

I would ask my colleagues to reflect on the nature of the Hussein regime. We have heard others speak of this as well. This is a government, as we all know, that has not hesitated to use chemical weapons against its own population. It has promised to do the same if not worse, to Israel and Saudi Arabia. This breaches all international protocols and shows a complete disregard for the civilian populations of the region.

Iraq's quests for weapons of mass destruction is unhappily married to an approach to foreign policy that could only be called duplicitous.

If we in Canada do not oppose this callous use of force, I really fear that we will condemn the world to an environment where weapons will have triumphed over law, and the security and the well-being of all countries will be left to the forbearance of other men like Saddam Hussein. We will have turned from the rule of law to the rule of the jungle. This ominous future is simply unacceptable and must be spurned.

In trying to resolve this crisis since August 2, there has been more diplomacy, more symmetry, than we have probably seen ever, certainly in the history of this century. It has all come to naught.

It has come to naught for one reason because Saddam Hussein has slammed the door on every effort to try to find a peaceful resolution to force him to withdraw from Kuwait in a peaceful manner.

I congratulate all those who have been involved in those efforts. We heard last night from the Secretary of State for External Affairs about the role that he and the Prime Minister have played, along with other world leaders in making these efforts. But it all appears to have been to no avail.

Perhaps not surprisingly, because when I was in the gulf region just over the last 10-day period, I met with leaders in the gulf countries. They reminded me of one elemental thing that perhaps sitting back here in Canada we may find hard to believe. They said: "You can't treat Saddam Hussein like a statesman. You can't deal with him as you would with rational leaders and try to negotiate. He is not motivated by statesmanship. He is only motivated by terror and fear." That is the way that he has run his regime. So it is with sadness that we have seen that diplomacy has not worked.

What about sanctions? We have heard in this House so many members say that if we would just let sanctions work, that in and of itself would somehow persuade Saddam Hussein to get out of Kuwait. In my heart of hearts, I wish that were true, but wishing does not make it true. I think we have to look at the reality that we are faced with.

First of all, let us recall that when Saddam Hussein and his forces invaded Kuwait they pillaged that country. The savagery that they have displayed—the plundering, the executions of innocent people, the rape of women, and the murder of children—is something that quite honestly I never dreamed would exist in this century. I had really thought, naively perhaps, that the civilized world had come to a point that this would not happen.

It has been, I guess, one of the most shocking realities that I have had to come to grips with as I read the Amnesty International reports, read the publication "The Rape of Kuwait", and met with Kuwaiti refugees, as I did recently when I was in the Middle East. They said to me: "How can you let this continue, while you sit back comfortable in your own living rooms in your own countries saying let sanctions work? If this continues, our country is destroyed. Our people are being destroyed. We have asked for your help. Please help us now".

We know with our own participation in our naval forces, they have done an outstanding job. In fact, it is their assessment that they have blocked probably 95 per cent of all the traffic coming into the Persian Gulf. Our own ships, in fact, have done about 25 per cent of those interceptions.

We do know through other ways and other methods that certain goods have been able to get into Iraq. What we really do know is that it is not having an impact on Saddam Hussein's military might. Ordinary people may be suffering. They may not be getting through. Women and children are the victims of this brutality in Kuwait and in Iraq. The military is being looked after. They are getting food.

While I was there he announced a big increase in wages for the military and the officers were all going to get cars. The Minister of National Defence mentioned that the number of aircraft sorties has increased significantly. It is not having an impact on his will to support this military. Again, when I was there and talking to people in that region who have dealt with him, who know him and know that regime, they were quite honestly saying: "We appreciate the sanctions. We appreciate that that has brought together the international community, but they won't work". They were beyond any discussion about the possibility of sanctions having any impact.

I listened to them and I must admit that it was after that trip that I came back with a much different view about the possibilities of any kind of a peaceful resolution for the dispute in that region. Diplomacy has been tried and sanctions have been tried, but to no avail. We are now dealing with a situation where, through the United Nations, we have said that we are prepared to use force, if necessary, in order to get Saddam Hussein to comply with all the other resolutions and perhaps now the time has come.

• (1840)

I believe that Canada has to back its words with action. We have over there over 1,800 Canadians, three ships, a squadron of CF-18. We have medical personnel on the U.S hospital ship *Mercy*, we have a headquarters in Bahrain. We have announced today that we will also be sending over a field hospital unit to support the United Kingdom. Those men and women there with whom I met are very proud of their professionalism. They do not want war any more than any of us want war but they know that they are capable of doing their jobs and they are prepared to do their jobs in the interests of Canada and in the interests of international peace and security.

Mr. MacDonald (Dartmouth): Mr. Speaker, I rise on a point of order. I think, in fairness to the House and to the associate minister, I should let her know that on television, live, right now, is a report from Baghdad that the American troops have started their offensive action in Baghdad. I think that it is fair to the minister to let her know that. Perhaps she may wish to reflect on that or perhaps change her remarks.

Mrs. Collins: Mr. Speaker, I thank the hon. member for bringing that information to the House in this very timely way but, no, unfortunately that does not change my remarks because, quite honestly, I have been prepared for that eventuality as I think the men and women who serve in the forces have been. I in fact am not surprised, quite honestly, that it would happen at this time. I think what we all have to do now is hope and pray for our people and for their families. I know that they will do what they have to do, and we hope that they will come home safe and sound. I hope all members in the House will show support for our Canadians who are there.

When I was there, they told me that what was really important to them was receiving the good wishes and the letters from people across the country, and it was very important to them to know that they had the support. I know the hon. member, along with so many in his riding, has shown that support to them.

One can only hope, now that hostilities have broken out, that they will be able to achieve an end with minimal loss of life and that, as a result, we will be able to achieve the objective of restoring peace and restoring law and order, and that through the united action and the auspices of the United Nations and the countries that are involved, generations in the future will say to us: 'Yes, those were very difficult decisions for the leaders at that time but those, indeed, were the right decisions for the future security of the world".

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, this is indeed a very difficult point in time for all members of the House, and in particular for me, because hostilities having commenced. I probably have 400 to 600 families in my riding with husbands, sons, daughters and wives serving with the Canadian forces in the Persian Gulf.

This is probably the most emotional moment of my life and I want to ask the minister this question, very clearly, because the level of anxiety is very high. We have over 1,800 Canadian personnel, I think it is, in the gulf. Can the minister please respond and tell me: what is the intention of the Canadian government? Could we kindly stop debating this senseless resolution about sanctions? I know that she is concerned about the men and women of the Canadian Armed Forces and she feels very strongly about the role of Canada. But, for God's sake, if war has broken out, will she stand in her place and tell us what is the role of the Canadian Armed Forces? Can she not drop this facade of talking about enforcing UN sanctions in the gulf, and tell the men and women, who are serving in the gulf and their families, what it means, if indeed it means that her government is now ordering them to be part of the war and what their role will be? Let us stop this nonsense of a debate on UN sanctions and debate the real thing, that is the role of the Canadian Armed Forces and the fate of our men and women who are serving this country so gallantly.

Mrs. Collins: With the permission of the Speaker, I hope I will be given the time to respond to that, because I was going to come to it in my remarks when I had the opportunity. It is very important for members of the House to understand what we anticipate will be the role, not knowing when this will happen, and to be able to explain it to them.

We have ships and aircraft there. We have ships in the southern part of the Persian Gulf. They will continue to be in that area in support of the replenishment group, that is the ships that provide supplies. Our ships will provide escort to those ships. That is the role they have been involved in up to now and will continue in that role.

Our aircraft will continue with combat air patrols over the gulf. This is something they have been doing since they arrived. They will continue to protect the shipping and all assets in that region. As hostilities break out, that will continue to be what they will be asked to do. If there are other roles or tasks that they may be asked to do, that will be considered by cabinet. No other decisions have been made on that point at this particular time.

I have been asked if I could inform the House that cabinet will be meeting this evening at 8. I advise my colleagues and Canadians of that this evening. At the conclusion of my remarks, I have been asked to move:

That the question now be put.

Mr. Bob Corbett (Fundy—Royal): Mr. Speaker, like the rest of my colleagues, I am in somewhat of a quandary to understand the events of the last few moments, what impact they will have on this debate and, indeed, what it means to the rest of the evening. However, I will begin my remarks by quoting from a speech in the House of Commons yesterday made by the hon. Leader of the Opposition. He stated that it is very easy to start a war, but it is very difficult to stop one.

In view of what has transpired, it becomes extremely apparent that the war the hon. gentleman was referring to started on August 2 when Iraq invaded Kuwait and, in view of what is happening now, it becomes even more meaningful. Obviously, those remarks would have been better directed at Saddam Hussein than to the House of Commons.

A war has been started and the complications of this war started by the Iraqis on August 2 obviously could be absolutely devastating. The complications of this war to the Iraqis themselves are incalculable.

• (1850)

It has become apparent by the events in the last few minutes that we now can assume that nothing less will be acceptable other than the total destruction of Saddam Hussein and his political apparatus. Apparently nothing else will suffice. What a tragedy.

The country of Iraq itself is beautiful. It is a land of historical significance that goes back to the Garden of Eden. Noah and his sons built the ark in that land. The ruins of the city of Babylon about 100 kilometres from Baghdad attest to the historical significance of the region. It is the land of Christ and Paul.

The city of Baghdad itself, which is apparently now under siege by the allied forces, played a significant and historical role in the development of world commerce and trade. It was the crossroads of civilization at one point. It played a key role in that part of our recent history when the Arab world was the most significant society known to the world encompassing much of Europe and the entire Middle East. It has a proud and noble history.

Baghdad's people are proud. The country has progressed by Arab standards significantly. The city of Baghdad itself is a modern city based on western technology.

I, along with a couple of my colleagues from the House of Commons, was in Baghdad not that many weeks ago. The first thing that struck us as we drove from the airport into Baghdad was how the country had suffered under the ravages of a costly war in terms of hundreds of thousands of lives of young men and also in economic terms. That war cost a lot.

It struck us how a country that had undergone such tremendous pressures could have developed throughout all of those eight long years of its war with Iran to the point where it was. The highways were immaculate. The infrastructure, the universities, the schools, the hospitals and the bridges are significant and impressive.

The country of Iraq maintained that rebuilding program throughout all those years, again at a significant cost to the society. A huge debt was built up.

That debt has contributed significantly to what we have seen today because, obviously, had the country been able to put the dollars that were available to it through its oil revenues to building even more of its society than to the war it had with Iran, then indeed it would have been even that much more significant today than it is.

I want to talk just about the enlightenment of the Iraqi society. Much of the movers and shakers, the people who are the doctors, the lawyers and the professors have been educated in western society. A lot of them have been educated in this country. A lot of them have been educated in the United States.

I feel confident by saying that what has transpired since August 2 has been a terrible embarrassment to these people to know that they are associated with a regime that could be as cold and calculating as it has been that would wrought such destruction on a neighbouring state.

How many times did I say during the period of time with the Iraqi–Iranian situation what a comfort it would be to know that those dollars and costs in terms of lives could be better expended in bringing peace and harmony to the region rather than sacrificing them in the manner that they were.

That apparently is the mentality of the people who Saddam Hussein has put in positions of authority under him.

I have met many Iraqis who are honest and good and sound and solid people. I have a great deal of respect for them. I have a great deal of respect for the ambassador to this country, Mr. Al Shawi, whom I know to be a decent and honourable person. I would like to caution that we, as Canadians do not react to what is taking place now, categorizing all Iraqis and the people of Iraq because of the madness of one individual who is in power and is controlling the machinery of war in that nation.

Iraq has had some legitimacy. Iraqis do feel that they have had some legitimacy to do what they have done. Prior to 1916 Kuwait was a part of that country. It was only petitioned by the British.

We have come to the point where those people who were in a position to know the difficulties of the sanctions that were passed and authorized by the United Nations in August, October and November, what impact they were, or, more important were not having. They took the decision to move ahead because they felt that the price we would have to bear would be too costly. It was my intention and it will be my intention to vote for this resolution that is before the House because I support the United Nations.

I support the United Nations in its role regardless of whether it is in the passage of resolutions to condemn the illegal occupation of Kuwait or whether, through resolutions of the United Nations, to condemn the illegal occupation by Israel in the occupied territories of the West Bank. I cannot be hypocritical about this matter. I will support Canada's decision, and rightfully so, to support the actions and activities of the United Nations. We are the fourth largest contributor to that body. We have no reason to believe that we should at this point abandon the principles of that organization.

When this is all over and said and done with, the fact of the matter is that we will have to look for new ways of ensuring that all the problems of the region are dealt with. Make no mistake about it, although Saddam Hussein had no legitimacy in linking his invasion of Kuwait with that particular issue, until the Palestinian issue is dealt with under the resolutions that have been passed which we as a country have supported, those being resolutions 242 and 338, there will be no lasting peace.

I leave this message with the people of this nation from my perspective and my constituency. I am supportive of the actions and the activities that have been undertaken by this government to support the United Nations resolutions. I want to give my assurances to the men and women serving in that theatre that we as Canadians have a grave concern for their future and must do everything we can to ensure their safety, and that they return home to a country and a world that have much better served because of their integrity and determination.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I want to direct a comment and a question to the hon. member.

In my riding of Scarborough—Agincourt I had the opportunity to poll over 2,000 people. The vast majority of them were saying we should give sanctions more time to work. They were gravely concerned about our young men and women in the gulf. As we just witnessed, hostilities have erupted in the gulf. The theatre of operation and what will happen in the gulf bring a new perspective. This government will be asking our young men and women to put their lives on the line. My colleague is from Dartmouth which has roughly 600 families, of which 450 have men and women in the gulf. They are gravely concerned. The Canadian people are gravely concerned. The Canadian public wants to know what the is mandate of the Canadian forces, what is the engagement, and what are their orders.

• (1900)

Is the hon. member aware of any of those questions? Does he agree that the hostilities should cease and desist? Does he agree that the safety of our young men and women in the gulf is first and foremost in the mind of every Canadian?

Mr. Corbett: Mr. Speaker, I appreciate the comment. I can only say that I am too much aware of what the circumstances are in the Middle East, what circumstances are in Iraq, what circumstances are in the entire region.

I have been a watcher of the Middle East for a good number of years. I am extremely and deeply conscientious of the role that we as Canadians have played as peacekeepers in the area and the reputation that we have developed throughout the years as a peacekeeper.

When I became aware that Canada was supporting the United Nations resolutions to impose sanctions against Iraq for its illegal occupation, its illegal invasion of Kuwait, I was extremely hopeful that indeed that would work, that the activities undertaken by the world community would have the desired effect of averting a war.

It has been said in this House many times during this debate that nobody wants a war. As the Minister of National Defence stated earlier, he has not met a single Canadian, nor have I, who is in favour of war.

The fact of the matter is we have a hostility that has erupted. There are declarations of war. Canada has a proud and noble tradition of supporting what is right. We are not in favour of aggression. We are not in favour of actions against fellow members of the United Nations. We have pledged ourselves by being a member, a full

participating member, a first world nation, to support the United Nations in the efforts it has undertaken and in resolutions it undertakes.

Our history is one we should be proud of. The men and women of our Armed Forces are people who are first-class in the work they have determined they want to undertake. I have every confidence in their ability to deal with their activities from a professional standpoint. I am sure that they understand their duty to this country and their duty to the world. They are prepared to undertake those responsibilities in a very serious manner, anticipating that they will be returning to this country leaving the world in better condition than they found it because of their interest.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, as I rise tonight let me indicate that I have just received news that hostilities have in fact broken out in the Persian Gulf. That brings to mind a question as to the very nature of us as human beings. What perverse creatures we are if the first collective act after the end of the cold war is to make war. Our party has had a long history of support for the United Nations, the body that is there to prevent war.

The charter of the United Nations says that the purpose of the United Nations is to maintain international peace and security. As I said, we have a long history of support for the United Nations, and how perverse that the United Nations is now being used as an instrument to make war. How can we accomplish the goal of the United Nations to maintain international peace and security by making war? We must see the contradiction in that.

It can be argued that UN resolution 678 is a contradiction of the UN charter, because it is a licence to make war, but it could also be argued that in the very language of resolution 678 it says to use all necessary means. All necessary means have not yet been exhausted.

I hope those news reports that are just now coming in are wrong. I hope that it is just a test, another way of bringing the nerves of the Iraqi forces to the verge. If it is in fact true that the bombs are dropping, I remind this House there are human beings under those bombs.

The United States claims to be supporting international law and opposing aggression. That rings hollow when we look at the history of the United States concern for East Timor, Cyprus, Lebanon, the occupied territories, Grenada, Panama, and Nicaragua.

Canada must respect international law as embodied by UN Security Council resolution 660, but that respect cannot be selective. There has been a curious selectivity of outrage. I think that this House in this debate should be peeling away those levels of hypocrisy. To date this government has squandered Canada's historic opportunity as a member of the Security Council to play an independent peacekeeping role and peacemaking role in the gulf.

I want to turn my comments now to focus on reputations. Reputations either personal, business, organizational or national are the currency by which we are judged, are the currency by which we are held in esteem, are the currency by way we make progress.

Canada's international reputation—and I speak from experience because I have travelled internationally both as a member of Parliament and prior to becoming a member of Parliament—is enormous. Canada's international reputation is as a peacemaker, as a peacekeeper. Canada's Armed Forces have always been used to this effect.

Now this government has taken that role and perverted that historic role of the Canadian Armed Forces by engaging in this war. This resolution that we are debating here tonight, make no mistake about the kind of wishy-washy language of the resolution, is the government's way of asking for our permission to make war. That is not what we want to do.

I have just been handed a note, Mr. Speaker, and the White House has now confirmed the war has started.

Some hon. members: Shame.

Ms. Hunter: Canada's international reputation has just changed dramatically. I urge those government members, who feel as I do that this is a perversion of Canada's history, to vote against it.

• (1910)

I am going to focus my remarks now on the environmental consequences. The Secretary of State for External Affairs talked earlier today during Question Period

about environmental warfare. That apparently is what we are in. Iraq has proclaimed that it will destroy the Kuwaiti oilfields if attacked. Kuwait has over an estimated over 1,000 oil wells. I think I should be permitted an emotional digression here.

The International Council of Scientific Unions and other scientists estimate that 10 million barrels of oil a day could burn if Iraq carries through on its threat. Smoke produced from burning those oil wells could change global temperatures by several degrees, disrupt African and Asian monsoons, and devastate world harvests. Smoke would result in local and regionalized ozone holes. Temperatures in the area of burning wells could reach 160 degrees where human beings are, while temperatures underneath the massive smoke soot layers could plummet 68 degrees.

This is environmental warfare and we are part of it if this government goes ahead. Again I urge government members to remember Canada's role in history, to remember our peacekeeping and peacemaking role, and that we are the ones who act between combatants and we have done it with distinction.

Global warming could be accelerated by 30 years. This is not going to be a quick, surgical strike. Oh, no, what is going to happen is going to devastate our world environmentally.

A year long oilfield conflagration is quite possible because the oil wells in Kuwait pump up the oil automatically. They do not need a pump, so once they start burning we cannot put them out.

The onset, duration, intensity, and character of the monsoons in Asia will be affected. Failure of the monsoons could impact over one billion people. Those people depend on those rains for crops and for water. Even a partial monsoon failure would cause more deaths than the total populations of Iraq, Kuwait, and Saudi Arabia combined.

That is what we are into. That is the madness that we have embarked upon.

I know a lot has been said about the evil nature of Saddam Hussein. I think most of us in this House would absolutely agree. But, make no mistake: we are not doing a nice, quick, surgical strike against Saddam Hussein. We are going against a population. Some 45 per cent of the population of Iraq and Kuwait is made up of people under the age of 15; children, Mr. Speaker. Those are the people those bombs are raining down on now; children.

I am not naive about war. I have seen it. I am one of the few members of Parliament who has seen it. I have been part of it in Africa when I was working for Oxfam Canada, so war is not an abstract thing to me. It is very real. Being part of a war is not like watching it on television, in movies like *Apocalypse Now* or *Born on the 4th of July*, although those were hard–hitting and certainly brought forth very real emotions. When it is actually yourself in a bunker with the ground shaking and shells going off around you, it is real, it is not a movie. I have experienced that. I wish that more members of Parliament had, because I do not think they would go for any part of war if they had actually experienced it.

This is an historic day in the House. I urge government members again to please reconsider. Look into your souls and see if you want this on your conscience, for Canada to be part of this conflagration that we have begun tonight.

What we are contemplating here is not abstract. We have to realize that the environmental consequences of this war are extensive, the global warming is probably just the most benign consequence, that just the U.S. forces alone have over 1,000 nuclear warheads in the Persian Gulf. What happens if any of those nuclear warheads are hit even by accident? Do the so–called experts know what happens if the Iraqi nuclear generating station is hit? Do the experts know that? This again is not going to be a limited war. How can we be so sure that it will be a quick, sharp strike and then we will get rid of this brutal dictator? There are other brutal dictators in this world. I wonder why we have not focused our attentions on them before now. I think Canadians who are watching here tonight know darn well why, because it was not in the economic interests of the United States up to now. This is apparent.

This is why I go back to how I started my comments. It brings questions to my mind about the very perversity of human nature. How can we secure international peace and security by making war? It is obscene.

I will conclude my remarks by once again urging government members to look into their souls and consciences, to look into their pride of country. The historic development of Canada has been one of pride in being there between the combatants and to contribute to peace

in the world. By voting for this resolution they are departing from that history in a very tragic way. So please reconsider and vote against it. This war is too horrific to even contemplate, and apparently we are now in it. We must vote against this resolution. We must. Although the war has begun, our international reputation must be used to effect to stop it, to act as a mediator, to get us out of this horrible, horrible mess.

• (1920)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I have two motions to put before the House. The first one rises from negotiations that have been ongoing throughout the day.

I move:

That this House continue to sit beyond the normal time of adjournment to continue the debate on Motion No. 27, that during this time no dilatory motions, no motions to adjourn this House, nor any quorum calls shall be accepted by the Chair.

And that when no member rises to speak, the question shall be deemed to have been put and the vote deferred until an agreed upon time by the three House leaders.

In the event that the House is still sitting at 10.59 a.m., Thursday, January 17, 1991, it shall stand adjourned until 11 a.m. that day and resume debate on Government Order No. 27, after Routine Proceedings and continue until no member is rising for debate.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I am agreeable to the first motion. I am happy that members will have a chance to speak to this very serious matter.

I would only hope that when this order is adopted that other arrangements will be made for all caucuses to meet prior to resuming debate on this most important question.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I believe I understand the motion my hon. friend has put forward but, just to ensure that I understand him, we will continue to debate for as long as it takes, until all members of Parliament have had an opportunity to speak. Essentially what we are doing is breaking for Question Period, if necessary, on Thursday, or if the case may be, even for Friday, but we will continue to sit until the last member of Parliament has completed his or her remarks with the exception of Question Periods.

Mr. Cooper: Mr. Speaker, without getting into the technicalities of all the procedural rules, yes, I can confirm that that is essentially what we are talking about.

Mr. Gauthier: I do not want to rub it in, Mr. Speaker, but I take it the NDP House leader knows exactly what we are doing and agrees with what we are doing and will not change his mind.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, being one of the members who is not subject to party discipline, I would like to know before I either give or not give unanimous consent—I do not know what my colleague for Beaver River will do— whether the government, and I see there are several ministers here, has a statement it would like to make. I think the members are entitled to know before we give unanimous consent, at least those of us who can deny it, what the rationale is for not continuing the debate.

Mr. Cooper: May I indicate to the hon. member that the purpose of this motion is to continue the debate and to make sure that everybody has an opportunity to speak to the issue.

The second motion that I indicated I was going to suggest to the House is that the House suspend to the call of the Chair for a period of time to allow members to brief themselves on what has now happened in the Gulf to give them an opportunity to have a look at the issue, to be briefed among their caucuses and then at the call of the Chair, return to the House.

I do not know what amount of time we are talking about, about an hour and a half to two hours, perhaps an hour. But at that point I would expect a statement from this side of the House which would bring the entire House up to date on the latest developments. It would give all of us a chance to caucus and, in the hon. member's case, at least an opportunity to take some time to look at the news and see what has been happening.

It is not our intention in any way to stifle debate, but rather to give everyone an opportunity.

Mr. Kilgour: If that is the only explanation the member can give, I think that this debate can continue. I realize that basically we all have the same knowledge base. People like the member who just spoke so eloquently against the motion should be entitled to go on speaking.

Mr. Cooper: The hon. member was not in the House at, I believe, a few minutes to six.

I want to make sure he understands that unless we pass the motion I have just suggested to the House of Commons, in fact, the debate adjourns tonight at midnight. There would only be that amount of time and the hon. member, himself, would not likely get to participate.

The idea for this motion is to allow us to sit around the clock to make sure that members like himself and other members of this House have an opportunity to express themselves on this very important issue. It is not in any way, to shut down debate, but in fact by not adopting this motion that is what happens.

By the agreement earlier, the House would rise at midnight.

[*Translation*]

Mr. Kilgour (Edmonton Southeast): With all due respect for the hon. member who just spoke, I must tell him that I was not born yesterday.

[*English*]

The parliamentary secretary is perfectly capable of walking out and bringing in another motion that does exactly the same thing with respect to giving all members a chance to speak—there are many of us on all sides of the House—without the provision that we now have to go back to watch the television sets.

I would respectfully suggest that in the interests of giving everybody a chance to speak, supporting his view of letting him sit around the clock, if we simply continue to have the debate now he can go out and draft another motion that would allow those people who wish to speak to continue speaking for the next hour and a half. Then we have the right to speak after midnight.

On the basis of what I just said, I will not give unanimous consent to allow this to happen.

Mr. Cooper: Mr. Speaker, may I suggest to the hon. member that there is a rather simple solution to his concern.

First, why not agree to the motion to extend the sitting? That means we continue debating from that moment on.

The second part, which we have not yet discussed—I think we should give everybody in this House an opportunity to do so—is whether the House should suspend for a period of time to allow the caucuses to caucus.

That is the second element, and it has nothing to do with the first motion. If the member agrees to the first motion, he will in fact accomplish his goals, and then he can express himself on the second. If he fails to do that, I am afraid what he has done is put us in a position where debate may end at midnight tonight. I do not think anybody on either side of this House wants that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): If I understand correctly, two motions have been introduced by the parliamentary secretary. Perhaps we might dispose of the first motion.

Does the House agree with the first motion pursuant to which the hours would be extended so the House would sit through the night if hon. members so wish?

Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The motion is adopted.

Motion agreed to.

[*English*]

Mr. Cooper: Mr. Speaker, I thank the hon. member for his co-operation. I now would suggest to the House that we consider, in the light of what has just happened, that we suspend the House for a period of time to the call of the Chair to allow members to caucus, to discuss what has happened and, to give them an opportunity to reflect on it. Then we will come back to the House to continue the debate for whatever period of time we agree to.

I hesitate to put a time limit on it only because I know that cabinet is meeting. I would like to make sure that cabinet has an opportunity to complete the deliberations and report back to the House.

I personally would have no problem saying an hour and a half to two hours, but I simply do not know. I can give hon. members my personal assurance that our intention is not to adjourn the House and forget anything happened, but to give everyone an opportunity to be briefed.

Mr. Gauthier: Mr. Speaker, I am following the conversations here quite carefully.

Our difficulty with the proposal before us is that I do not think Canadians watching the deliberations of the House tonight realize we are in a very tight spot.

War has started in the Middle East from the information we have from our TV. I would appreciate it very much if the government would come into the House in the next 15 or 20 minutes and make a statement confirming that fact for us and giving us the government's information as to what the situation is with regard to the 7.30, 7.45 or 8 p.m. situation in the Middle East at this time.

• (1930)

After that we will want to caucus with our members individually, collectively in our various caucuses, at which time we could suspend the House after the statement and come back later on for the debate. I do think it is very important, that the House be given the information officially from the government, not from CNN, not from the TV, but from the government. The world is struck with a very difficult situation called war and this House will have to deal with that situation.

Mr. Riis: Mr. Speaker, simply I want to add my voice of support to the point just made by my hon. friend, the House leader of the Official Opposition. We are obviously at a very crucial moment.

We have also agreed to no dilatory motions, no quorum calls, in other words, virtually everyone from the House can go out and watch television to get an update on the proceedings or discuss with their caucus members without at this point adjourning. My suggestion is that we simply continue on and for those people who want to become updated as information becomes available, they will have an opportunity but we should not adjourn the House.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Saint-Denis on a point of order.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, there are times in life when one must have a very clear and very cold mind. This is one such occasion. I did not consult any of the leaders—but the government is meeting now to discuss the situation. If it is not doing so, it should, immediately.

[*English*]

It is a proposal that I think could meet all of the difficult times we are going through together.

It would seem to me more logical to allow the cabinet to meet, to ask the Prime Minister to come to the House and make a statement, and to suspend the House again, so that caucuses could meet for difficult discussions. Then fix an exact time, and I leave that to the Whips of each party to decide under the direction of the leadership of their party, to come back. But I cannot understand why, at this very unbelievable time in the life of the Parliament of Canada, members would keep talking while we should bow silently, suspend the House, agree that the Prime Minister could come back here at a certain hour, make a statement, suspend the House, and then come back for discussion.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I regret to interrupt the hon. member for Saint-Denis, but I draw the attention of the House to the fact that we ought not to launch a debate. The parliamentary secretary has asked for unanimous consent. I agree that a number of members should be allowed to express their views, and again I recognize the parliamentary secretary.

[*English*]

Mr. Cooper: Mr. Speaker, I have heard the sentiments of the House and I think at the present time that it would be wise that we just continue with the debate. If the need arises we can revisit this question at a later point.

[*Translation*]

Mr. Prud'homme: And you know that I tried to get above partisanship.

I would like every colleague, the Canadian people and every colleague to watch what is going on. It is not enough for me as a responsible Member of Parliament to know that we can go on debating without knowing exactly at a certain time. Surely, the leadership of this Parliament, the leadership includes you, Monsieur, each of the parties and the Independent members, has to know. Can we not agree, in a cool fashion, because at this hour it is not time for emotion?

It is time for cool minds to prevail and to know at what time if possible we could be informed if the Prime Minister, my Prime Minister—because at this hour he is my Prime Minister—can come back and make a statement. Then we would debate with each other. Then we would come back and take our responsibility. I think it makes sense.

The Acting Speaker (Mr. DeBlois): I think the messages got through on both sides. There seems to be agreement to continue the debate. After the intervention of the hon. member for Saanich—Gulf Islands, we are now at the questions and comments period.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I should like to make a comment. Perhaps the time I take to make this comment will be sufficient to enable some members to obtain more information and convey it to the House.

[*English*]

I heard and listened with tremendous attention to the speech made moments ago by a colleague, the member for Saanich—Gulf Islands. I want to congratulate her on her speech.

I would like to say that I share very much some of the concerns she has expressed. Many of the things she has said I agree with.

Perhaps what I want to say more than anything else is that I hope she is wrong, and I am wrong, because of the events that have occurred over the last few minutes.

It could very well be—as a matter of fact I understand it has now been confirmed by the White House—that the military intervention, call it for what it is, that war has begun. The very grim picture of that war that has been described by members so eloquently earlier on is in many ways an eventual situation that I also foresee as possible.

I want to reiterate how wrong I hope we both are in this view, not because politicians usually like to be wrong but, more important, because the lives of so many people are at stake and because those hostilities, that war has begun.

This is not really a question, but I would like to make a comment to which our colleague may add a further comment. I still believe this action that has been initiated was not the proper one, but that should not in any way be mistaken or misinterpreted to suggest that if our troops are in a war situation I would not support them.

This does not mean that I like them being there because I do not.

Hopefully within the next few minutes someone from the government side will be able to brief this House on the current situation.

I think you will appreciate that almost anything we say at this point without that briefing is academic. The question is no longer. Are we or are we not in favour of military action, if the action has already been authorized moments ago by this government? I hope that is not the case but, if it is, the debate will have to change.

I am very saddened about what has happened in the last few minutes and perhaps all Canadians over the next few minutes and hours should pray that at the very least the hostilities will be short-lived, if they are in fact occurring as we believe they are, and that as few human lives as possible will be lost in that process.

• (1940)

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I, too, am saddened that presumably war has started in the Persian Gulf. We knew when we started this special session of the House of Commons that every Canadian in the country is familiar with the burden that the Canadian nation is faced with.

My leader, when he spoke on debate on this motion to persuade the government not to declare war, said that the "threat of death hangs over the Middle East and its people". Now that war has started, as reported, that fear is becoming even more real.

I am not a military expert but I have some idea what war can do to a human body. The human body is not made of steel or shatterproof glass or armour. It is living and fragile. I ask: How will the bodies of our young soldiers survive an attack of poison gas? Sources say our troops do not have enough protection and I hope that is wrong because, in the event of use of poison gas only a gas mask intervenes between the life of our Canadian

soldier and death. The skin will be penetrated by this gas. I am truly saddened, and although I have prepared a series of arguments to convince this government not to go to war, I would like to end on a note of extreme sorrow. I share the sorrow of all Canadians that we have not been able to prevent the onset of war.

I am reminded of the great right hon. Lester Pearson who orchestrated peace at the Suez Canal in 1957. In accepting the Nobel Peace Prize he said: "The grim fact is that we prepare for war like precocious giants and for peace like retarded pygmies."

I am really saddened and I hope the devastation of war that I fear shall not come to pass.

Ms. Hunter: Mr. Speaker, to conclude this question and comment period, I would like to respond. I think that it is important to note the obvious: that bombs do not distinguish between Canadians, Iraqis, Kuwaitis or Americans. They do not distinguish nationalities. They also do not distinguish between soldiers and civilians. They do not distinguish between adults and children.

This is a terrible day for the world.

Miss Deborah Grey (Beaver River): Mr. Speaker, we obviously are at a very precarious moment in the history of Canada right now. Although I certainly had my remarks prepared long before my time was due to speak, right now we must be aware of what we have seen on TV in the preceding 20 minutes or half-hour or so.

This truly is the most difficult moment in my entire life. I was born long after World War II ended. As a Canadian citizen right now seeing what is happening in our country, it is truly devastating and very frightening.

I certainly believe that all Canadians are in agreement with the world-wide condemnation of the unprovoked and unjustified invasion and subsequent annexation of Kuwait by Iraq. I think it is important that Canadians acknowledge and recognize that we support the United Nations Security Council and its objective of ensuring that Kuwait is re-established and that Iraqi troops are removed from it. It is necessary to assess adequately and exactly what requirements and sacrifices Canadians will be called upon to make in order to meet these objectives. I will just put a P.S. on my remarks here. We in fact are in that conflict right now. I think that all of us in this House need rise above any partisan interests we may have and say, are, regardless of what our feelings are about this issue, and all of us have deeply held and very strong views about it—that we must band together and not pay any attention at this point, to what political party we belong or what our persuasion is. We are Canadian citizens. We know that this has in fact begun. We must stand together and say: "We are Canadians and we must abide by what is going on right now, whether we like it or not".

It is important that beyond the principle that Kuwait should be sovereign we as Canadians certainly are aware of what are these options to achieve Kuwait sovereignty. On the cost of these options, certainly we have to ask the question whether they are economic or military. I dare say that they are a combination of both.

Unfortunately, again, because of recent developments, we are speaking in the middle of this incident as it is in fact unfolding. We are aware, world-wide, that Saddam Hussein has not been influenced in any way to comply with the UN resolutions to leave Kuwait peacefully. Of course the main tool to date has been economic sanctions. Many will say that those sanctions have not had a chance to work.

Those of us who have been following the news hour by hour in these last several days, have seen Saddam Hussein and his entire Iraqi Parliament standing up and chanting: "With our blood and with our souls, we will die for this cause and go to death for Saddam". We are seeing the painful results of that tonight as we are participating in this debate at this very moment.

All of us would have wished that this would have resolved itself peacefully. Obviously nobody has wanted to or would continue to want to resort to force. But again, as I have thought about this personally and politically over the last few days, the question begged to be asked: How long do we keep economic sanctions going and when would we ever have broken Saddam Hussein? He acknowledged right up to the end, until we are in this position right now, that he would not back down and that he would carry on.

There is the question about sanctions: What good have they done? What have been the costs of the economic sanctions? There certainly have been painful repercussions for Kuwaitis because they have been occupied for some five months now. There has also been the cost upon those nations which are enforcing the sanctions. We in Canada have felt the effects of it as well, as we saw budget cutbacks of government spending of about $350 million some weeks ago.

Turkey has been facing $3 billion worth of direct assistance taken away. I read in a magazine recently that it has cancelled tourist bookings and is facing incredible problems because of the sanctions it has tried to impose and keep up with.

Jordan, of course, is in a very tenuous position right now as it is basically a supporter basically of the allied nations but is very frightened about what is happening in fact now, as we look at the clock at 7.50 p.m. on this night some eight hours ahead of us in the gulf.

I said again just a few minutes ago that we all would have wished this would have resolved itself in the most peaceful manner. In fact now that we have begun, we look forward to this being resolved with the least human cost possible.

I want to say as a Canadian citizen and as the member of Parliament who represents the riding of Beaver River in which we have two air force bases, CFB Edmonton at Namao as well as CFB Cold Lake, one hour north of my house where we deployed the CF-18s from, that we are very concerned about this. In fact, my neighbours are family members of those who have left CFB Cold Lake and are on active service now in the gulf. Many people in this House will have people for whom they feel directly responsible in terms of family members, friends, as well as members of Parliament, as this is the only place in this whole land that represents every square mile of this country. All of us in this Parliament of Canada will be touched in one way or another by this war which is now taking place.

• (1950)

There is no doubt in my mind as the member for Parliament for Beaver River representing these air force bases, that those people who are serving in the armed forces right now, all of whom are volunteers, joined the forces because they were proud to do so. They will do their duty and they will obey their orders regardless. They will do what they are told to do no matter what process is followed. Unfortunately, it does little to enhance democracy and broaden public support when these decisions are made perhaps after the fact.

No one in the House tonight should get into any kind of partisan wrangling, which I mentioned earlier, and say what the government should have done or what we thought should have happened. We are at this point in our history, and in fact it has begun. We need to move forward now and say this is the position we are in, but nonetheless we have to ask those questions. I daresay we will be asking them of ourselves for years to come.

Military force is always a last resort after all other reasonable alternatives have been explored. Again, my remarks were prepared earlier. They are out of date because they were written only a few hours ago. We have crossed that boundary now in the world. The right hon. member for Vancouver Quadra earlier today said we are global citizens and we have now crossed that boundary and we are involved.

Let me just say in wrapping up my remarks that I believe at this point there is really very little that we actually can say in terms of what we should have done, could have done, or might have done. I have said that we have crossed that threshold. Whatever the motives are, or were, for this war, we could be critical and say it was just oil. We could also be critical as global citizens and say that we as human beings lust for money and power. I think that is a world-wide characteristic of the human condition.

Let us put that aside and say yes, perhaps oil was a factor. I daresay it was not the only factor, but certainly a factor that all of us have to agree, whether we like it or not, is a part of our life. If I may get really personal for a moment, I know how much gas I use, because my riding is 28,000 square kilometres and I am one of those people who uses a great amount of petroleum products. I appreciate that, because it enables me to travel the length and breadth of my constituency and get together with people.

The United Nations Security Council, as we are watching it now, is doing something that we have not seen happen for a very long time. We are seeing countries coming together, Russia and the United States for instance, where even a year ago or a year and a half ago such a thing would never have happened.

One year ago in this House we all celebrated the breakdown of the Berlin wall. What an exciting moment that was for us as Canadians as well as members of Parliament, to celebrate that freedom. No sooner do we turn around than we are facing another enemy in a different place. The people of Kuwait, the people of Iraq, in fact those forces that are now participating in the gulf are going to pay a cost, and I have to ask myself the question: Will it be worth it? Can we let these people go on unchecked? Earlier I mentioned briefly about the human condition. I think that analogy shows us it is, very difficult to assume that the world will get along as friends forever. Let us work toward world peace. Let us work together as global citizens to try to achieve those ends.

My final comment is to the people in this House whom I have come to respect as colleagues and many as friends. I am in a particularly unique position in this House because I sit independently as the only member of the Reform Party. As I alluded to earlier, we are Canadian citizens and we must band together as members of a country that is part of the UN. As hon. members speak tonight, I would encourage each and every one of them to be as non-partisan as possible and to remember the fact that we are not just facing each other on opposite sides of an aisle. We have a responsibility to our country and whether we like it or not that is our responsibility. No matter what position each of us takes, personally and politically, let us rise above that and be considered to be that nation which is peace loving and peacekeeping.

I would hope and pray for the safe return of all Canadian and UN forces and for a quick resolution of this situation. I would ask each and every one of us to search our hearts tonight, to respect each other, to respect all Canadian citizens and certainly the UN and to be very grateful for what the UN has stood for. I hope that we would support what is happening now and pray that we would have a speedy resolution to this, and that we will be able to look at and learn from the lessons this painful war has taught.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, this is truly a sombre moment in the highest court in the land, the Parliament of Canada. I have listened with a great deal of interest to the eloquence of my colleague, the hon. member for Beaver River. I commend her on her comments about the members of the Canadian Armed Forces who serve so proudly from her riding.

I think it is important at this point in time that all members in this place, and Canadians who must feel somewhat apprehensive as they watch what is unfolding, remember something. I want them to remember the tens of thousands of men and women of the Canadian Armed Forces who have served this country so proudly in times of peace and now in what appears to be a time of war.

I am very lucky because I probably have one of the largest military constituencies in the country. We have a strong naval tradition in the riding of Dartmouth. I know the type of anxiety that has been felt up to this point by the families, the children, the friends and the neighbours of those men and women who are serving in the Canadian Armed Forces in the Persian Gulf. I cannot imagine that emotion that they are feeling right now, the feeling of helplessness, as they wait to see what is happening to their loved ones.

I think if there is anything important for Canadians who are watching now it is to remember, especially in my riding of Dartmouth. I hope that there are a lot watching. Look down your street and you are going to find a family of one of those people because there are about 600 of them. Look around your neighbourhood and offer support and compassion to those men and women and their families because they desperately need it tonight.

I am going to be selfish, Mr. Speaker. To my constituents in the riding of Dartmouth who believe very strongly in the role of the Canadian military in our riding, in our economy and in our country—and it is the same for the member for Beaver River—I urge those Canadians in this time of uncertainty, fear and anguish to reach out and to touch those families and to tell them, as best you can, that you care and that you understand what they are going through. But, most of all, give your support because the members of the Canadian Armed Forces are doing a great job for the people of Canada. The least we can do at this time of uncertainty is to give them the support that they deserve.

• (2000)

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to second the comments of my colleague for Dartmouth. I also want to compliment the member for Beaver River on her remarks.

I think many of us came to this House tonight prepared for speeches, knowing that hope springs eternally for peace. There were members of my riding who came in as late as today from petitioning in church with hundreds of names signed. There were many others from the riding. None of us here in this House can really have the full sense of appreciation or imagination that is required to get the real feeling of what is going on right now.

Three years ago I spent half a summer in Riyadh and Kuwait. I spent three weeks in Kuwait. I have many friends there right now. I cannot imagine how they are feeling at this moment, but I think that the point the member for Beaver River made is that we are now global citizens and we as Canadians must all work together and hope that peace will return soon.

Miss Grey: Mr. Speaker, I would like to say my appreciation to my friend and colleague from Broadview—Greenwood who was very instrumental in making me feel comfortable in this place when I came down here as a bit of a loner.

I recall that we were part of the left-handed corner in the House. I would just like to say now that he has moved down to the other end of the House that I miss his support and his input.

I would like to affirm what these two members have said in terms of what we are now in. We do not have any option any more. Regardless of whether people thought they should be there or should not be there, it does not matter now. It is immaterial.

Let us stand behind these forces. Those people whom we see who have no experience in sending their husbands away to war. Young wives, my age, with young children, have no experience to draw on, about letting their husbands go away in an F-18, which is dangerous enough at best, on routine flights over northern Canada and CFB Cold Lake. We are in this now. The arguments that led up to it are irrelevant.

As I mentioned earlier, we must look forward and ask what will happen once this over. Let us pray that it is over quickly.

My friend talked about us being global citizens. Kuwait has not been a democratic nation. Kuwait needs to have democracy.

I would just like to put on the record that I believe, as a Canadian citizen, that once this war is over we should put pressure and encouragement on the United Nations for Kuwait to have a United Nations' sponsored and supervised elections, democratically held elections, and that we see it move from a non-democratic state toward democracy as we have seen all across eastern Europe in this last year and a half.

Let me recommend to my colleagues here and anybody watching from the galleries or across Canada: let us not be complacent, as I believe we Canadians have been for so long. Let us not be complacent and assume that things are going well all across the world. Let this be an example that we must be careful. We must initiate and pursue peace always and not just assume that it is going to happen without us putting all our energy toward those ends.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I find it my duty to bring some news to this House which I learned from my home. As we speak, right now, Turkey has proceeded with three submarines against Cyprus. They have landed four divisions on the island and have four frigates offshore.

Mr. Speaker, that was heard live from Greece and if that continues, Greece and Turkey could be drawn into a war and we could be in for a global conflict.

Mr. John Reimer (Kitchener): Mr. Speaker, I shall continue in this debate.

On August 2 Saddam Hussein invaded Kuwait. That was when the war began—

Mr. Clark (Yellowhead): Mr. Speaker, I rise on a point of order to make a very brief statement if I might.

I want to confirm that after the failure of diplomacy an attack on Iraq began tonight. In accordance with discussions and extensive consultations that occurred over the last several months, the Prime Minister of Canada was informed by the President of the United States, before the Americans began their action of the American intentions.

The cabinet is meeting momentarily to discuss the situation. The Prime Minister of Canada will be in this House later tonight after that meeting to report to the House of Commons.

[*Translation*]

I would like to say a few words in French. I can confirm that an attack has begun against Iraq. The Prime Minister was informed before the attack by the president of the United States. The Canadian cabinet will meet a few minutes from now, and the Prime Minister intends to be here to address the House of Commons after the cabinet meeting.

[*English*]

Mr. Prud'homme: Mr. Speaker, I said earlier that reason must prevail. We must have cool heads. It makes so much sense to me, and as I said personally to my friend, the hon. member of Edmonton Southeast, it would make so much more sense if we at this time adjourned the House, suspended the House, until a time when our Prime Minister would come and speak to the House. Then, again, suspend the House so that caucus could meet.

I do not know what the Prime Minister is going to say but we would at least like to have intelligent discussion with our colleagues from each party as to continued debate on this matter.

It would seem to be so logical to suspend the sitting of the House, get an indication as to what time the Prime Minister of Canada will come to the House and speak, then suspend again until an agreed-to time. The Whips and House leaders are here to discuss the matter and decide if we should come back to the House, and then decide the kind of speeches we might make.

I humbly say that on this occasion—

• (2010)

[*Translation*]

I submit, with respect, that in the circumstances this is the best and most intelligent way to proceed.

The Acting Speaker (Mr. DeBlois): If I am not mistaken, and for the benefit of those who are listening, we seem to be reverting to the motion tabled earlier by the parliamentary secretary, namely that the House be allowed to suspend its business with unanimous consent. The hon. member for Edmonton Southeast.

Mr. Kilgour (Edmonton—Southeast): Mr. Speaker, I appreciate what the hon. member just said. The Secretary of State for External Affairs has already made the announcement, and if the Prime Minister has something to add, I think it is very important that we should hear it.

I was told earlier that all caucuses are now meeting to discuss what may be the most important question we have ever debated in our lives. Although I think the debate can go on, I respect the opinions of members on both sides of the House. Since I am the only independent member present at this moment, except for my hon. colleague who will probably have a few words to add, I am quite prepared to accept the motion moved by my hon. friend.

[*English*]

Mr. Cooper: Mr. Speaker, I want to indicate that we as members on the government side had agreed to this earlier. In fact we encouraged it.

We want to suggest that probably what we should do is suspend the House to the call of the Chair, with a 15-minute bell to make sure that members have an opportunity to be alerted of the House coming back.

Mr. Gauthier: Mr. Speaker, we agree, but we would like to have some indication as to approximately what time. I was told ten o'clock earlier this day. I was wondering if it could be confirmed that it would be around ten o'clock.

Mr. Cooper: Mr. Speaker, I can confirm to the House that it would be our intention to come back at approximately ten o'clock. I hope the House will forgive me using the word "approximately". Since cabinet is meeting, I have to have some allowances. Certainly it is our intention to come back around ten o'clock.

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

Some hon. members: Agreed.

[*Translation*]

SUSPENSION OF SITTING

The Acting Speaker (Mr. DeBlois): The sitting of the House will therefore be suspended until around 10 p.m. The bells will ring for 15 minutes to announce that the sitting has resumed.

The sitting of the House was suspended at 8.13 p.m.

[*English*]

SITTING RESUMED

The House resumed at 10.10 p.m.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, hon. members will know that military action began in the Persian Gulf today, as announced at 7 p.m. Eastern Standard Time.

President Bush called me beforehand to apprise me that he had authorized such action. We understand at the moment that the participants of this first wave included forces from the United States, the United Kingdom, Saudi Arabia, and Kuwait.

The fighting is a direct consequence of Saddam Hussein's determination to maintain his brutal occupation and his illegal annexation of Kuwait in defiance of world opinion. He has chosen to ignore the numerous opportunities that were open to him to withdraw. He has had 167 days since his illegal and brutal invasion of Kuwait on August 2, and 48 full days since the United Nations Security Council passed resolution 678 on November 29.

In all of that time, with all of the requests, with all of the appeals from leaders around the world, his answer has been no. Resolution 678 provided a pause for peace and gave Saddam Hussein one final opportunity to comply with the will of the world community, as duly expressed through the United Nations. He refused again and again to take that opportunity. Diplomacy has been given every chance to end this conflict peacefully, but regrettably has failed in the face of Saddam Hussein's intransigence. That same intransigence and his indifference to the suffering of his own people, especially the children, made it clear that sanctions alone were not going to force him to leave Kuwait.

There has not been a single iota of interest on his part in complying with the United Nations directives. The time has regrettably come therefore to act in the interests of preserving world order and in safeguarding the effectiveness of the United Nations. A failure by the world community to act would have undermined the United Nations, turned a blind eye to naked aggression, condoned violations of international law and encouraged other potential aggressors to defy world opinion in the pursuit of their own criminal ambitions. If Canada had stood aside, we would have betrayed our own national interests, repudiated our own responsibilities and dishonoured our own traditions.

Canada did not stand aside in two world wars and Korea. Canada, and in particular the Secretary of State for External Affairs, did not stand aside from the hard work of seeking a peaceful end to the Iraqi occupation of Kuwait and, Mr. Speaker, Canada is not standing aside tonight from giving effect to the United Nations resolutions.

Some hon. members: Hear, hear.

Mr. Mulroney: We have joined with other UN members in expelling Saddam Hussein from Kuwait by force. At this moment our CF–18s are flying combat air patrol in the northern Persian Gulf, protecting Canadian and allied ships and personnel in the gulf and the Arabian Peninsula. Canadian ships are now engaged in the company of others, in playing a vital role in assuring the support of the seaborn arm of the coalition in the Persian Gulf.

Earlier this evening, the cabinet met and gave the Chief of the Defence Staff, General de Chastelain, authority for the Canadian forces to carry out sweep and escort missions over Kuwait and Iraq, if necessary and appropriate. All Canadian forces in the gulf will nevertheless remain under Canadian command.

I profoundly regret, as I am sure, do all members of this House, that it has come to this. It is with no satisfaction that we take up arms, because war is always a tragedy, but the greater tragedy would have been for criminal aggression to go unchecked.

I am sure that the safety of the Canadian service men and women in the gulf is uppermost in the minds of all members. Our hearts go out tonight to those families with loved ones, fathers or mothers, sons and daughters, and brothers and sisters, on duty in the Persian Gulf. These courageous men and women are braving great danger in the defence of the values and the interests of their entire country. They have our gratitude and our respect, and especially tonight, our prayers.

Now is the time for all Canadians to put aside their differences and rally to their support. I am sure that all hon. members join me and all Canadians in praying that this war will end quickly and that all Canadians will welcome home our brave fellow citizens who defend freedom and the cause of peace.

Some hon. members: Hear, hear.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, as I rise in the House of Commons tonight, my heart is filled with a deep sense of foreboding. Like every Canadian, like the mothers and fathers of those men and women representing us in the Persian Gulf, I am worried. I had hoped that it would not come to this.

[*Translation*]

This evening, Canada is at war. Operation Desert Storm has begun. This evening, Canada is anxiously following the course of events in the Middle East. Canadian men and women are watching their TV sets, hoping the missiles will spare their families and friends.

[*English*]

While I am Leader of the Opposition and the Leader of the Liberal Party, I am also a father and a grandfather and, like the millions of Canadians now sitting clustered around their televisions and radios, I am trying to come to terms with all of this. Tonight, diplomacy and negotiations have given way to bullets and bombs and I am sad about that. But, as the Prime Minister said, I hope that this will be reversed very quickly. As all Canadians who have followed this crisis know, the Liberal Party has urged the government not to go to war. We urged the government to allow more time for the sanctions to work before putting the lives of thousands of Canadian troops at risk.

[*Translation*]

Unfortunately, diplomacy and negotiations have given way to armed intervention, and I regret this deeply. The Liberal Party has always been opposed to war. No one likes war and no one likes to go to war. All we can hope now is that Iraq will withdraw its troops from Kuwait and that there will be as few victims as possible. The war must not be allowed to go on forever.

On behalf of the families and relatives of our Canadian soldiers, those men and women who perform their duties so bravely and valiantly, we can only hope that this war will be a short one. The price of war is always far too high.

[*English*]

We regret that our request that a search be made for a peaceful solution has fallen on deaf ears but, at the same time, we will support the efforts of our men and women in the Persian Gulf. We are at war, but all of us have to make sure that we are not losing the Canadian ambition, our historic quest for peace. We hope that this war will be short. We hope that all efforts will be made to find avenues to have a cease-fire quickly, in order to make sure that not many men and women lose their lives in that process. We hope that this operation will be successful; we do not think it was necessary. Let us all hope and pray together that it will be short and that those valiant Canadians who are there will be able to come back to their families, as the Prime Minister has said, in good health.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Chrétien: I want to ask the Prime Minister and his cabinet to do everything in their power to restore peace in the Middle East as soon as possible. As we have said before, it is sometimes much more difficult to end a war than to start it. We hope that we will have peace again very soon, because we sincerely believed a few months ago that a new international order had been established.

• (2230)

The cold war being over, we felt that it would be possible to find peaceful solutions to world problems and now we find to our dismay that a real war can start so quickly.

We are all Canadians and we must support our brothers and sisters fighting for peace. I rise tonight to say that all Canadians have the obligation to stand united under such circumstances.

[*English*]

As Canadians, we have differences. I said that it was not the right way, but we are at war and we have to be united because Canadians are fighting right now. I hope that none go down in fighting. We have to back them up.

It is a different way than the way we would have chosen, but they are fighting for peace. We hope that they will be very successful in a very short order.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, our first thought tonight, like all Canadians I am sure, is for the men and women who are in the Middle East and the families of those men and women.

It is surely, whatever one's opinion is, a great tragedy for Canada and for those people. It does not in any way undermine the fact that they are there, that war has become a reality and that our thoughts and prayers are with them.

[*Translation*]

My party and I are proud of the contribution made by Canadian men and women in the Middle East to enforce the sanctions against Saddam Hussein and Iraq. Tonight, our thoughts first of all go to them and their families.

Now a state of war exists. It demonstrates the full extent of our failure as politicians. The world has gone mad. We should not share Saddam Hussein's folly. One does not fight madness with madness.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, we agree that Saddam Hussein must be stopped. The new world order under which we thought we could thrive is being jeopardized by a tragic war. This is our first test since the last world war and we have failed miserably.

[*English*]

When I say "us", I do not just mean anyone in this House or any particular world leader, but as a world community. I think we can all agree that this is a failure.

It has been said that sometimes the first casualty of war is the truth. I have to say this with honesty, and perhaps others may share this feeling.

It is a feeling of betrayal for those of us who had hoped that economic sanctions would be given a chance, that there would be a true commitment by all world leaders, that all diplomatic efforts would be tried, and that war would be considered only as the last resort after all of these measures had been exhausted.

I have said it in other debates, Mr. Speaker, so I will not repeat it here, but we do not, as a party, agree that all those efforts were exhausted before this measure was taken—but, there is a war.

Today, in fact, our party unanimously supported an amendment to say that we should not participate in an offensive action against Iraq and we maintain that position.

I still believe that rather than saying Canadians should step aside, we should see what role we can really play—a role that would leave open the options not to not participate, but to participate in a meaningful way. Canada is a compassionate nation. We should exercise that compassion through our humanitarian work, through the kind of work that we see as being most useful to further the peace effort.

It is not a question of abdicating responsibility. It is a question of taking that responsibility in the most useful way possible, in the way that would lead to peace.

Some hon. members: Hear, hear.

Ms. McLaughlin: I share the comments of the Prime Minister and the Leader of the Opposition that we support our troops who are there. Of course we do. Of course our hearts are with those troops. Of course we feel that they are in danger and that we want to see the best for them. We want them to return home.

We hope the predictions that have been made about a long war will not be true. We would be quite happy to be proven wrong in this event.

The question is: how best do we support those troops? I would have to say, that in my view, the party's view, we support those troops by making sure that they are employed in actions that will truly show that Canada, as a compassionate nation, is prepared to participate, not within the theatre of war, but rather in a compassionate and humanitarian role for both civilians and non-civilians.

That is not non-participation, just as participating in economic sanctions was not non-participation. Let us be realistic that that view will not prevail. But I want to state clearly that that is our view.

Some hon. members: Hear, hear.

Ms. McLaughlin: I wish to speak directly to those men and women, those young people whose lives are so directly affected by this from coast to coast to coast. I speak to those people who have spoken out about their

concerns of a war, about Canada entering into a war and I say that you have not been defeated in your views tonight. I am sure that everyone in this House will work to bring about as quick a peace as is possible. But you must continue to express your views as all Canadians must, to give politicians the directions that we too need to reflect the best interest of Canada.

I say to these groups and individuals: we are with you. The New Democratic Party will continue to speak out against the madness of war.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, the choices have been made. They are not our choices. We will, each of us, live with the results of those choices. Each of us have taken, in our view, the most responsible position. We do not accuse those who disagree with us and we refuse to engage in debates about who has the greatest degree of morality.

• (2240)

Some hon. members: Hear, hear.

Ms. McLaughlin: Our disagreement is with the government's position. It is most assuredly not with the Canadian forces. We will be judged by history, but I want to assure Canadians and to assure this House that we will remain committed to a new world order, a genuinely new world order, and a new vision of a world in which war is no longer contemplated, a world of peace.

On the eve of war this may sound naive. This does not mean that Canada in any way abdicates its responsibility, but rather that Canada and the New Democratic Party will work for peace and international peace, to take our responsibilities seriously. We will not abandon the Canadian men and women in the Middle East. We will not engage in debates that are simply about who is right, but we will pursue that international vision based on a new world order, a new way to do things. We are committed to that.

In conclusion, I would simply like to say that I think everyone in Canada tonight is aware of the difficulty of this evening for everyone who must make decisions and those in particular who must bear the responsibility of our decisions. I say that our hearts are with them, our hearts are with their families. We, too, will work with the government, with the Opposition, with any country, with any group to search for peace as soon as possible.

Mr. John Reimer (Kitchener): Mr. Speaker, I had begun my comments just before the House suspended and we are now, I assume, continuing debate. With your guidance, Mr. Speaker—

Mr. Speaker: The hon. member for Ottawa Vanier on a point of order.

Mr. Gauthier: Mr. Speaker, on a point of order. I apologize to the House but I do think that most of us feel this moment to be one of momentous importance for the world and for Canadians in general.

We do not want at this time to engage in partisan debate on the motion before the House. I think the situation is very serious and we would like to have time to gather our thoughts, to really get the facts, come back to the House in due course and debate this very important situation tomorrow.

This for us is a momentous moment and I would ask the government to please adjourn the House which would give us a chance to get our facts together.

[*Translation*]

Mr. Lapierre: Mr. Speaker, I understand the feelings of the hon. member for Ottawa—Vanier, but I too would like to have an opportunity this evening to respond to the speeches of the Prime Minister, the Leader of the Opposition and the Leader of the New Democratic Party to say that, whether we like it or not, we are all at war regardless of our political affiliations. Our differences and nuances are theoretical and our alternatives are hypothetical.

In these times of great sadness I believe we all hope that the hostilities will end soon. We all hope that our sons and daughters, with the Iraqi civilians, will be able to avoid as many casualties as possible. We hope this war will not be for revenge but rather for the supremacy of international law. This evening we pray for all the men and women who are involved in this sad tragedy.

[*English*]

Mr. Speaker: Before I hear any further points of order—and I will certainly hear the hon. leader of the government—I remind hon. members that we are bound by the rules here.

This is an extraordinary day. Perhaps hon. members will want to deal with the situation in their own way. However, what I am dealing with now is a suggestion made by the hon. member for Ottawa–Vanier. The House leader of the Government wishes to have the floor.

Mr. Andre: Mr. Speaker, certainly the circumstances this evening have changed substantially, to put it mildly. The rules we had put in place and the special orders and so on may well have caused us to reconsider the procedures. There are of course not just the major parties but the Independents and people's desire to speak. I suggest to the House leader of the opposition Party and to the Leader of the New Democratic Party and other members that perhaps we can commence the continuation of the debate, use that time during the first speaker to discuss between ourselves and reach an accommodation that would allow us to meet.

Mr. Speaker I wonder if hon. members, keeping in mind what is taking place today, would give the House leader of the government a chance to respond fully.

Mr. Andre: I was suggesting this procedure as a result of not just the official parties but the Independents. Certainly, if you were to put the question and there was to be agreement, we would have no opposition.

Mr. Riis: Mr. Speaker, I can certainly say that on behalf of the New Democratic Party we think that to proceed now with the debate would be not only inappropriate, but almost bizarre. I would like to suggest that we seek unanimous consent of the House to terminate the debates for tonight. The House leaders can meet early in the morning to decide on the process for the next day, but I suspect that to proceed now would be totally inappropriate.

Mr. Kindy: Mr. Speaker, I do agree with the suggestion of the House leader of the Liberal Party.

Mr. Speaker: There seems to be agreement. I notice some of the other members are nodding in the direction of the Chair. It is so ordered.

Accordingly the House is adjourned until 11 a.m. tomorrow.

The House adjourned at 10.47 p.m.

HOUSE OF COMMONS

Thursday, January 17, 1991

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

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

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

* * *

POINT OF ORDER

REQUEST FOR BRIEFINGS

Mr. Speaker: Statements by ministers.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, seeing no minister rise, I want to clarify a matter with the government House leader. Is it the government's intention that on appropriate days the Minister of National Defence will be making statements to keep the House and the people of Canada apprised of Canada's developments in the Persian Gulf?

It seems this would be an appropriate way, and perhaps the most simple way, to keep Canadians briefed on what is happening.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): As a matter of fact, Mr. Speaker, I believe the Minister of National Defence has offered briefings to both parties this morning.

It would be my intention to discuss with the House leader of the New Democratic Party, as well as the opposition House leader, a means by which, on a daily basis, briefings could be held with appropriate representatives as well as to look at some mechanism whereby all members of Parliament could receive daily information on events in the Middle East. Perhaps it would be more appropriate if we had those discussions in private as the morning progresses and we can reach some mutually satisfactory arrangements.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Standing Orders provide that every day a minister may make a statement to the House. I would have thought that the government, considering the seriousness of the situation, would be willing to come and give a summary of the situation, not only for the benefit of the House and its members but also for Canadians. I do not see why we have to sit down and negotiate arrangements beyond that.

That being said, Mr. Speaker, this morning, the Liberal caucus did indeed receive the offer of a briefing on the situation by the Minister of National Defence, to be given at 11.30 a.m. I thought it was possible for all members of my caucus to be there. However, it is impossible, Mr. Speaker, to be there today, since we are here in the House. Could I ask the minister to give us the assurance that every day there will be a minister's statement on the situation, a situation that is so important to us?

[*English*]

Mr. Riis: Mr. Speaker, as we determine the appropriateness of communicating, not only with members of Parliament, as the government House leader has indicated, but also the people of Canada on a regular basis, the suggestion that perhaps a ministerial statement would be one way. There are other ways perhaps as well to apprise Canadians of the situation as it evolves.

These are very tense times, tense also in the House. Since we have arranged briefings for the caucuses later this morning at a time when the House is sitting—in a sense to our surprise—we need an assurance that the government would not produce any dilatory motions or

anything that would upset the normal flow of the House while, presumably, the Liberal caucus and the New Democratic caucus are being briefed by a representative of the Department of National Defence.

Mr. Andre: Mr. Speaker, I certainly have no difficulty at all in giving my assurances. As the debate proceeds, it is solely for the purposes of providing members on all sides, and independent members also, an opportunity to get their views on the record. There will be no dilatory motions or an attempt to take advantage of the fact that membership on the other side may be light because of the briefings that are going on.

• (1110)

Mr. Riis: Mr. Speaker, presumably we are going to continue the debate in the House prior to the opposition parties being briefed by the Department of National Defence. Would it not seem more reasonable in terms of an informed debate for us to suspend the sitting for a couple of hours so that—

Some hon. members: Oh, oh.

Mr. Riis: Mr. Speaker, I am trying to make a case for the most informed, intelligent debate possible and that requires information. I realize the government has had an opportunity to be briefed, presumably by the Minister of National Defence and the Prime Minister. We have not. I am simply making a case to my friends opposite that this is a very critical moment.

Some hon. members: Oh, oh.

Mr. Riis: I am taking some offence at the laughter with regard to this proposal, Mr. Speaker. It is a serious suggestion to my hon. friend, the government House leader, that we consider suspending this session for two hours—goodness, what is going to be discussed for the next two hours is not going to be necessarily earth shattering, I suspect—to allow the opposition to be briefed and then commence the debate immediately after Question Period.

Mr. Andre: Mr. Speaker, as the hon. member knows, and we have had these discussions in private, I would like to take advantage of this time to provide opportunities for those members, both on our side and independent members, to put their views on the record. Again I repeat, members have my assurance that during that period of time there will be no attempt by anybody on this side of the House to take advantage of limited numbers on the other side with any dilatory motions. That assurance is given.

I think we can proceed and provide this period of time for members who wish to get their views on the record and I would suggest that we proceed in that manner.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I happened to hear that briefing sessions were offered by the Minister of National Defence to two caucuses. Does this mean the sessions were available to all members? I find it hard to understand, considering the fact that it is now 11.10 a.m. and the briefing was supposed to be for 11.30 a.m., why none of us was informed.

Mr. Speaker, all partisanship aside, I think we should realize that there are now a number of independent members in the House, and if co-operation and good will are to exist in a forum that is so faithful to tradition in times of crisis and war, I should hope the government would able to show a little more sensitivity and co-operation.

[*English*]

Mr. Andre: Mr. Speaker, I would just like to say to the hon. member that I will certainly discuss with him and with the Minister of National Defence the provision of briefings for all members. That was not the intention. The intention was to have the briefings in a different atmosphere than in the adversarial system we have in the House. In so doing, hon. members could be apprised of all of the information available. This institution, because of its adversarial nature and what have you is frequently not the best place in which we could have those briefings. That was the intent, nothing more than that.

I will talk to the hon. member, and I am sure that arrangements can be made to ensure that he and other independent members who are interested are provided with the same sort of briefing that will be transmitted to the other caucuses.

[*Translation*]

Mr. Gauthier: Mr. Speaker, with respect, our message is clear: All members of this House are entitled to this information. I fully agree with the hon. member for Shefford that, to obtain that information, we can use a provision of the Standing Orders that allows the minister to come and make a statement.

This morning we asked—it was not offered—for a briefing session by someone in authority in the government, so that we could be informed as government members were informed in caucus. They have information we do not have, Mr. Speaker. It is unfair to have a debate when someone has all the information and others do not.

All we asked was for the sitting to be suspended until 2 p.m, so that Liberal, NDP, independent and other members could obtain the information available. That is not too much to ask, Mr. Speaker, but the answer was no.

[*English*]

Mr. Andre: Mr. Speaker, my proposal last night was that we should have these discussions among ourselves prior to suspension. That did not happen because of the request of the opposition that we suspend.

We are now here in session this morning. I suggest, Mr. Speaker, we carry on. We can have the kinds of discussions I offered to have last night with opposition House leaders and anybody else.

An hon. member: Oh, oh.

Mr. Speaker: I know the hon. member for Burnaby—Kingsway is rising. Given what I am going to say, it may not be necessary for other members to get into this debate. I would ask the attention of the House.

The situation that we are in today is that, as a consequence of consent of all parties—all of it being sought last evening—we adjourned until 11 o'clock today. We are now, according to the rules of this place, in Routine Proceedings. The exchange that has just taken place may well have been helpful but it is certainly unusual at this point in Routine Proceedings.

I am bound by the rules, as are we all, and, in the absence of consent or some kind of arrangement, my obligation is to continue with Routine Proceedings until Routine Proceedings are completed. I want everyone to understand that, unless some arrangement is made for something different to happen, I will call Government Orders and the hon. member for Kitchener will have the floor. Now that is the procedural position that we are in.

Given the fact that there seems to be some disagreement among members as to what we might or might not do, if Routine Proceedings or other things later on today are to be changed, I would ask the co-operation of hon. members to let me proceed with Routine Proceedings.

Members may want to have discussions. The hon. member for Burnaby—Kingsway may very well want to have those discussions, but I must say that there should be some limit now on what is beginning to turn into a debate and getting well beyond a point of order. I will hear the hon. member very briefly.

Mr. Robinson: Mr. Speaker, I will be brief.

I wanted to raise a very serious matter that certainly flows from the previous discussion and that is with respect to the right of members of the House to be informed in a serious way about what is happening in this very, very serious war.

Mr. Speaker: The hon. member makes a point probably which is agreed to by all other hon. members, but as I said, if I am going to indulge one hon. member, I will have to indulge other hon. members.

I think that it is appropriate now to seek the co-operation of the House and to let me proceed with Routine Proceedings. Members can discuss this matter among themselves. I am not so sure that, at this point, anything is to be gained by negotiating across the floor of the House, at least for a few minutes.

I intend to proceed with Presenting Reports from Inter-parliamentary Delegations.

STANDING COMMITTEE ON EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

Mr. Robinson: Mr. Speaker, I rise on a point of order with respect to committees, if I may, just very briefly.

I have just learned that there is a strong possibility that the commitment that was made earlier for the Secretary of State for External Affairs and the Minister of National Defence to appear before the Standing Committee on External Affairs this afternoon may be denied. Surely, Mr. Speaker, Canadians and members of the House are entitled to be briefed by the Minister—

Some hon. members: Oh, oh.

Mr. Speaker: The chairman of the committee has asked the Chair if he could be recognized to respond to that problem. It might solve the whole thing.

Hon. John Bosley (Don Valley West): Mr. Speaker, I cannot let that go by.

Yes, as chairman, I have asked the opposition critics whether they wish to proceed with this afternoon's meeting. They have said they wish to. I have advised them, and I think it is entirely proper to advise them, that I have been advised by ministers that under the circumstances they may be compelled to be at other places in these circumstances.

I would assume from what was said last night in this House that, if ministers advise us under the circumstances that are before us in this terrible crisis they may have other obligations at a specific moment in time, we would be understanding in this crisis.

Mr. Speaker: I know hon. members will realize that this is not a matter in which the Chair can intervene, at least not at this point.

* * *

• (1120)

PETITIONS

PERSIAN GULF CRISIS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is indeed an honour to present a petition on behalf of a number of petitioners who point out that most of the nations involved in the UN coalition are not involved with offensive actions against Iraq or Iraqi forces in Kuwait.

The petitioners are calling upon Parliament to use all its ability possible to encourage the government to not continue to commit Canadian Armed Forces to an offensive action.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I also would like to present a petition today signed by a large number of individuals at a peace demonstration in Powell River on the weekend.

The petitioners ask that the Canadian Armed Forces not be involved in the war in Iraq. They point out that the Prime Minister, in committing the armed forces, enjoys the opposition of 88 per cent of Canadians. The majority of Canadians do not want this action undertaken. The government should adhere to the wishes of Canadians and have the troops removed from the theatre.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have a petition signed by several hundred people representing, I am sure, millions of Canadians who are appalled by the action that we are currently engaged in.

The petitioners call for Canada to continue to use its forces to enforce the sanctions which the UN had declared, to declare its absolute commitment to a peaceful resolution of the Middle East conflict, and to oppose any military action against Kuwait.

PUBLIC SERVICE

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, it is my honour and obligation to present on behalf of petitioners from the Fraser Valley a petition which calls upon Parliament to implement the results of the equal pay study and end wage discrimination in the federal Public Service.

PERSIAN GULF CRISIS

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I have to present a petition from a number of Canadians who lay out quite a lengthy list of suggestions. Essentially, they are calling upon Parliament to declare its absolute commitment to a peaceful resolution of the Middle East conflict.

GOODS AND SERVICES TAX

Mr. Rex Crawford (Kent): Mr. Speaker, I am honoured once again to rise in the House, pursuant to Standing Order 36, to present a petition from the constituents of Kent.

As a last ditch effort, the petitioners humbly pray that the government axes the dastardly GST tax.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 282 and 431.

[*Text*]

RACE RELATIONS MEETING HELD IN TORONTO

Question No. 282—**Mrs. Maheu:**

Was a meeting on the subject of race relations held in Toronto on March 31, 1990, organized by the office of the Minister of State (Multiculturalism and Citizenship) and, if so (a) who was invited to attend (b) who issued the invitations (c) which of those invited have held any order-in-council, ministerial appointments under the purview of the government since April 1, 1985 and, in each case, what appointments (d) did representatives from the minister's office and the department attend the meeting and, if so, which ones (e) who asked for the meeting to be held (f) what were the (i) purpose (ii) objectives (iii) terms of reference (iv) agenda (v) outcome of the meeting (g) what amount did the meeting cost, including (i) travel (ii) accommodation (iii) exempt staff (iv) officials (h) are any follow-up activities planned and, if so (i) what are they (ii) what are their objectives (iii) what are their projected costs?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Yes, a meeting on the subject of race relations was held in Toronto on March 31, 1990, organized by the office of the Minister of State (Multiculturalism and Citizenship).

(a) Persons invited to the Focus Group Meeting:

Aziz Khaki
Yvonne Blackwood
Dr. Karen Mock
Fo Niemi
Kamala-Jean Gopie
Dr. Suzanne Birks
Alai Coker
Valmond Romilly
Benjamin Teitelbaum
Isobel Grayston
Alain Jean-Bart

(b) The chairperson of the Focus Group Meeting, Dr. Ralph Agard.

(c) Dr. Ralph Agard, former member of the Advisory Committee on the Employment of Visible Minorities.

Aziz Khaki, member of the Advisory Committee on the Employment of Visible Minorities.

Dr. Karen Mock, chairperson of the Canadian Multiculturalism Advisory Committee.

Valmond Romilly, member of the Canadian Multiculturalism Advisory Committee.

(d) Dennison Moore—chief of staff—Secretary of State and Minister of State (Multiculturalism and Citizenship).

John Dennison—senior policy advisor for race relations to the Minister of State (Multiculturalism and Citizenship).

Ajit Mehat—director, race relations
Multiculturalism and Citizenship Canada

(e) Participants of the Focus Group Meeting.

(f) (i), (ii) and (iii)

Discussion of consultant's report on the feasibility of establishing a Race Relations Network.

(iv) Round table discussion of report.

(v) Need for further discussion and fine tuning on the workings of a Race Relations Network.

(g) $4,601.42

(h) Yes

(i) Larger consultation of concerned groups.

(ii) To examine the findings of the Focus Group and to determine if a Race Relations Network is needed.

(iii) Not applicable.

WORLD UNIVERSITY SERVICES OF CANADA

Question No. 431—**Mr. Harvard:**

Does the government intend to assume the financial obligations of World University Services of Canada, such as (a) the cost involved in the return of Canadian volunteers, (b) the payment to them of an annual bonus?

Hon. Monique Landry (Minister for External Relations): The government has not assumed the financial obligations of WUSC. All assets and liabilities of WUSC are being administered by the Receiver. CIDA has undertaken to ensure that activities and commitments under projects and programs it has been funding with WUSC continue to be carried out. As for Canadians working overseas under WUSC's volunteer program, their agreements with WUSC will continue to be honored, including return to Canada on completion of assignment and any other payments stipulated in their agreements.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 404 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 404 be deemed to have been made an Order for return?

Some hon. members: Agreed.

[*Text*]

GOVERNMENT FUNDING

Question No. 404—**Mr. Wappel:**

Since November 21, 1988 has the government given any funding to (a) the Planned Parenthood Federation of Canada (b) Serena Canada and, if so (i) when (ii) in what amount (iii) one-time or sustaining (iv) for what purpose (v) by way of grant or loan (with full loan particulars) (vi) with what system of accountabililty in place?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed from Wednesday, January 16, consideration of the motion of Mr. Clark (Yellowhead):

That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

And on the motion of Mrs. Collins:

That this question be now put.

Hon. Walter McLean (Waterloo): Mr. Speaker, colleagues and fellow Canadians, speaking in a debate on an occasion like this invites obviously some perspective on not only the present with which we are being bombarded with instant communication, but also the past and the future. In the moments given to me I would like to reflect on the past five falls when I have been a member of the Canadian delegation to the United Nations General Assembly in New York.

During those five years I have seen dramatic changes from the intractability of the cold war period, through the gradual move and thawing in relationships, to the point where in the last two years resolutions about world order and world peace have been jointly moved by the Soviet Union and the United States.

Many of us in the House and many working for peace across the country have been dreaming of the day of the new UN. Dreams that were once only that suddenly have come to fruition. We have begun to see the possibility of the UN being a forum for conflict resolution. This has suddenly become a reality.

But this change in the UN has come suddenly, almost overnight. Alvin Toffler, writing almost a decade ago in his book *The Third Wave*, warned us that we needed new institutions and processes as we moved into the 1990s. He anticipated that in the third millennium our society would need new machinery, a new wave forward.

In my constituency office in Waterloo, from across Waterloo region and across Canada, I have received, just as all members of Parliament have, calls, letters, and delegations from schools and universities. Our young people, particularly those age 13 through to 20, have been showing a tremendous concern about these issues. Their message is that they are disappointed and upset that we do not have the machineries in place and that we are back to using old models of war and violence to settle international disputes. At the University of Waterloo in my riding, in Conrad Grebel College under the Mennonite aegis, the Centre for Peace Studies has been trying to develop models as to how we could move forward.

What are the lessons that we can learn as we pray for a quick end to this conflict, a recovery period, and a resumption of the efforts to bring about an interdependent world community?

Obviously had we had these machineries in place, Canadian troops in the gulf today would have been serving under blue berets and the UN flag. The fact is that the Military Staff Committee of the United Nations has not been instituted. It has rusted out over the last 40 years of east-west confrontation and we have not had machinery in place.

The fact is that the force in the gulf, while American led, is under UN mandate. There was no other machinery there present in order to follow up the UN will. The United Nations itself does not have a capacity to mount a force. And so there never was a realistic expectation that the UN could have responded to the invasion of Kuwait

without designating a lead role to one of its member states.

• (1130)

The tragic events that we are now witnessing remind us that we know how to make war, but we do not know how to make peace. We have very few models for peacemaking. Canada has led in peacekeeping, but peacemaking is a new art, and one that surely calls to all of us in the light of the present situation.

The lesson of this crisis is the need for new mechanisms, possibly the establishment of a permanent UN force. Sir Brian Urquhart, the former Under Secretary General of the United Nations says that the lessons of the gulf war call for, first of all, the development of a military staff committee to respond to expected emergencies and, second, an emergency fund large enough to support immediate protective or peacekeeping efforts.

These are the kinds of initiatives, surely, that Canada will want to be looking at seriously as we seek a cease-fire and an end to hostilities in the gulf and a move to new models.

Today, as we meet here in the House of Commons in Ottawa, and as the world's attention is riveted to the gulf, at the United Nations in New York, delegates representing 118 nations are debating proposals to convert the existing partial test ban treaty into a comprehensive test ban treaty.

The partial test ban treaty was signed in 1963 by American President Kennedy and Soviet Premier Khruschev. As members will know, this bans all nuclear weapons testing in the atmosphere, in outer space and underwater, but not underground.

Parliamentarians from all parties in this House and from 38 legislatures around the world, in an organization Parliamentarians for Global Action, have been playing a substantial role in encouraging the convening of the UN conference. For two weeks now delegations have been in New York. Despite the lessons and the threat of nuclear capacity, chemical and biological weapons, on the part of Iraq, this conference seems only likely to agree that it may meet again some time in the future.

In light of Canada's support for the UN and the effort under way now, the evident need for constructive multilateral dialogue and collective security, and the development of the chemical, biological and possibly nuclear weapons by Iraq, it is appropriate and hopeful that the UN is gathered, seeking to move an end to nuclear testing.

So, in the House today, I ask, as we seek peace in the gulf, why is Canada prepared to vote not only against the amendment clause calling for a comprehensive test ban treaty, but against efforts to bring the nations back again to try next year to move the conference forward? I have asked both privately and publicly that the secretary of state review the instructions he sent to our Canadian delegation at New York and invite them to take a constructive effort to end the nuclear threat. Surely the lessons of Iraq are evidence of the need for Canadian leadership in this area.

Let me raise one other issue that is in the hearts of many Canadians, particularly from our multicultural communities which have their relatives in Third World countries. One of the very dramatic, and yet downplayed, elements of this crisis has been the impact on the so-called Third World. We have seen the floods of refugees, but we have not seen as visibly the effect on the economies of already debt-ridden countries. On behalf of the House, I have had the opportunity to chair a subcommittee which has reported to our external affairs committee on the debt crisis. We have tried to underline, in an all-party report, the urgency of the situation.

This report was tabled before the gulf crisis, before the standing committee heard from President Mugabe of Zimbabwe about the effect of the crisis on his people and before the Interagency United Nations Committee on African Recovery met in Ottawa last month, reporting that those economies, already bankrupt, are suffering in terms of all of the basic services such as health care and education. In a country concerned about AIDS, the epidemic of AIDS across Africa continues to move dramatically because governments are without any capacity to offer services or help. These developing countries now have a debt that exceeds $1.3 trillion and the indebtedness of these countries threatens all countries.

In conclusion, I would like to make three proposals for those of us who wish to work for peace now in the gulf and for peace in the future. I propose that Canada convene a high-level political conference to look at what mechanisms should be put in place to permit the UN to

act more effectively. This conference should relaunch "the spirit of San Francisco", the lofty idealism of the framers of the UN charter. Second, I call upon our government to vote for the comprehensive test ban this week in New York. Third, I urge the government, in the light of the human cost to women and children and others in the Third World, that as we prepare our budget, we maintain CIDA's budget, our development assistance to those least able to help themselves.

Hopefully, out of this agonizing time we can advance concrete proposals for both strengthening the United Nations, to which we are all committed, and world peace.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I thank the hon. member for Waterloo for his speech because it reflects, I know, much more than five years of work that he has been doing in these matters for peace and for disarmament for the countries which are burdened with what we call the Third World debt and for aid to the needy.

I fully support the question that he has launched in this House as to why Canada opposes an amendment to the partial test ban agreement that would convert it into a comprehensive test ban agreement. I agree with him that had we got such a comprehensive test ban agreement before, at least the present dreadful situation in the gulf would be a little less dreadful.

I would like to ask him what he thinks about the situation in the gulf where it is reported that more than 1,000 nuclear warheads are sitting, mostly on American warships, but not all of them. We do not know whether Saddam ever produced any. We are fairly sure that he did not, and that his capability to do that may have been destroyed.

We do know two worrisome things. One is that there have been accidents with nuclear warheads. All the countries that possess them have had experience of accidents. Second, the concentration of nuclear warheads in such a small area could increase the danger. We know that last night the President of the United States made a statement that is rather open-ended. He said: "It is not like Vietnam. This time we are not going into the fight with one hand tied behind us." He did not explain how he means that one hand was tied behind him in Vietnam, but for many people we do know that there was talk of using nuclear weapons in Vietnam and that fortunately that possibility was rejected by the country that could have used them, the United States.

• (1140)

My question to the hon. member is, has his government asked for a commitment from the United States and the others who possess the nuclear weapons that are in the gulf, a guarantee, that under no circumstances will they be used offensively in the gulf?

Mr. McLean: Madam Speaker, I thank the hon. member for Trinity—Spadina for raising an important issue. The government has assured the foreign affairs committee, of which I am a member, that nuclear weapons are not to be used in the gulf.

One of the arguments and concerns about the importance of taking military action was to prevent the further development of nuclear weapons on the part of Iraq. Therefore, if this is the argument for force at this moment, and many of us had hoped it would not come to this, surely logic follows that we should be seeking a comprehensive test ban at the United Nations.

Canada has through the years had this as an objective of our foreign policy. But the question is of putting it into overdrive rather than going step-by-step, and responding with 118 countries which recognize that if Iraq soon has these, what about India and Pakistan? What about Argentina and Brazil? What about a world loaded with nuclear weapons? Into which corners will Canadians be called time after time as regional conflicts break out? What about a situation where the UN does not have machinery to respond to these and we go at them in an *ad hoc* way? So, part and parcel of the order that we all seek in our world is to have renewed machinery, to see that we use the UN in a dialogue way, in a treaty-making way, in a negotiation way, and that we start today, even as we participate in the gulf, with dynamic leadership in the UN to see that this kind of incident does not occur again and that we redouble our efforts.

Madam Deputy Speaker: The period for question and answers is now expired. There was a five-minute period of question and answer. Resuming debate.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I think it is fair to say that most members of the House today are feeling somewhat uneasy and concerned about what is going on around us. Yesterday, when I was prepared to speak on the motion before the House, I was having a great deal of difficulty. I was concerned about a

lot of things that I will not mention today because it is not the time to do it. So, when I was told, on short notice, that this debate would be resumed, I had to sit down and cleanse my thoughts because events have taken a decided turn. I have to wonder whether or not this House right now has a hell of a lot of relevancy for Canadians. We are sitting here after Canadian troops have been engaged in a war. We are still debating a motion which was put before this House, which I said at the beginning of the debate, was an intellectually dishonest motion.

An hon. member: That's right.

An hon. member: Right on.

An hon. member: A fraud.

Mr. MacDonald (Dartmouth): I will try my level best not to be partisan here because it is not a place to be partisan, but I think the people of Canada have to question the role of parliamentarians, of every political party, and of the relevancy of this institution.

We were on the brink of war up until yesterday, with every heart, every mind and every soul in Canada praying and hoping for a peaceful resolution. That is what everybody here wants and it is not a matter of party line. I know my colleagues in this House. Not one of them sought war. But the debate did not take place.

We still have this motion put forward and I am supposed to speak to it today. The motion talks about UN sanctions, UN resolutions and all this kind of thing. In actual fact, Canadians as well as members on all sides of the House were hanging by their fingernails when we should have been debating the potential role of Canada in the Middle East conflict. That is what we should have been doing, but we did not do it.

We were elected by our people to govern this country, in opposition or in government. I think one of the most important decisions we will ever make is whether or not we as parliamentarians send people to war for whatever reason: good, bad or otherwise. We were not debating it; we were debating some motion that had no relevancy.

I have received more calls from more people in my riding who are absolutely disgusted with what we have done in this place. They wanted to know why we could not for once drop the partisanship. They wondered why in the name of goodness, when we are dealing with life and death issues, we could not for once have a real debate here.

It is not a debate on GST, which may be important. We all wound ourselves up for that great debate, did we not? It is not a debate about taxation or about fiscal policy. It is a debate that has the real and irrevocable consequences that somebody, because of our decision, may lose his life or could come back injured. It is not something we can change, once the decision is made.

We are at war today. Suffice it be for me to talk about the frustration felt by me and I think by every member of Parliament over our inability to control those circumstances and situations that happened thousands of miles from here.

Our troops are at war. I and my colleague from Halifax come from an area that has a strong military tradition. As I have said before, men and women who were first sent over by this government to participate in enforcing the sanctions against Iraq primarily live in this area. They may not be from our area, but we have them based there. This is where the Canadian navy on the east coast is based. They have contributed greatly to the economy in our area and to the community.

When the sterile debates about what goes on take place, it is hard for me to raise myself above it and just say it is a matter of right or wrong, because it is a matter of people. I see them every day. When I go shopping, I see them.

What we need to do now is to understand truly what these people are doing for our country and for the Parliament. They have chosen to serve and are serving proudly. They are in the Middle East. Their families are terrified. Their kids are scared. But they understand that this was an eventuality when they joined the Canadian Armed Forces. They are serving proudly. I have talked to some of the families this morning. They are happy to see for once that the Canadian Parliament is unanimous in supporting the activities of those men and women in the Middle East.

I think it is a time for us all to reflect. It is a time for us to reflect on the impact of our decisions here in this place. We do not know how long this war is going to take. We hope it is over now. We pray that the loss of life is minimal. We want our men and women of the Canadian

Armed Forces, who are doing a job for us and for the world, to come home safe and to come home now.

• (1150)

This problem in the Middle East is not going to be solved by bullets, although the immediate problem may be. It will not be solved by bullets, by missiles being lobbed at each other or by blood being spilled all through the Persian Gulf. The war has started, but the process of peace must also be started now.

Some hon. members: Hear, hear.

Mr. MacDonald (Dartmouth): Men and women of the Canadian Armed Forces, in support of the Americans, are playing a role in the gulf and they are serving proudly. It was a decision of this government, for which we all must share some responsibility collectively, and we do. This government has a responsibility at this point in time not to sit back and wait for military activity to bring a resolution to this crisis.

The government must not stop until every stone is unturned and until ever square centimetre of possible common ground is explored so that the United Nations can progress from this point on and that true lasting political peace, not merely militarily imposed peace, is found in the Middle East. This is the great challenge to parliamentarians.

We all woke up this morning at little stunned, I think. I did not think when I ran for election, nor did anybody in this place, that we would have the issues before us that we have had. My goodness, we have had the Canadian government face to face with our native peoples in Oka. I thought it was pretty traumatic. We have debated things like the abortion bill and Meech Lake. We are wondering if this country has to political will to stay together. Each and every time these issues came up, I think we all sat back and said we never thought we were going to be elected to sit and participate in these big decisions.

This is the biggest decision we have ever faced. This government has to find ways, and our party will support it as it tries, for peace through the United Nations. We would like to see this government, in the finest tradition of Canada, be innovative, be creative, be the bridge builders and find political solutions where none seem to be.

We have a tremendously strong tradition, and it is not one we should let fall now. It is a tradition of trying to find a common interest. It is a tradition of pursuing peace at almost any cost. My colleague who spoke earlier talked about the United Nations and the new world order. Think about the tumultuous times we live in. We have been celebrating over the last year the thaw in the cold war. We saw the Berlin wall fall. I guess maybe we thought everything was going to be easy from this point on.

Do you know what we found out, Madam Speaker? The easy part was the cold war. The hard part is trying to establish a new world order. Canada has a role to play. Its role is to redefine in the United Nations the acceptable parameters and the rules of the game by which we now must play in order to ensure sanity as this world changes dramatically. What are the rules of engagement? Surely to goodness, force has to be the final option that is used. This is new territory for us and we must pursue it vigorously. We must participate and we must initiate as a government and as a country.

In the coming days, there will be much debate in this Chamber. There will be debate about the resources given to the Canadian Armed Forces. There will be many questions asked about the role of the Canadian Armed Forces. There will be pleas to the Canadian government, in the finest tradition of Pearson, to get involved and find those political solutions and to do it as quickly as we possibly can. There will be accolades for the men and women of the Canadian Armed Forces who are serving us so proudly in the Persian Gulf now.

I would hope that during the course of the debate we do not lose sight of the major tasks ahead of us. The major task ahead of us is to stop the war, stop the guns, and stop the bullets in the Middle East. The major task ahead of us is to ensure that Saddam Hussein is driven out of Kuwait. The task ahead of us is to make sure that Saddam Hussein, who has terrorized the Middle East, does not have the capability to do it again. The task ahead of us is to ensure that a true and lasting peace is attained in the Middle East. They are big tasks, but I know that Canada is up to the job.

It is going to be up to parliamentarians to shed a little bit of the partisanship we all too often see in here. This is not a partisan issue. Let me make it very clear: the position of the Liberal Party is that, if we had our way, sanctions should have been given more time to work—

and we still firmly believe it—and that bloodshed and force had to be the very last options.

But now a decision has been made and circumstances have overtaken this strange debate and this funny motion or unreal, surreal motion we have before us now. Events have overtaken it. Each and every member of Parliament must support those individuals who have been ordered by the Government of Canada to participate. We must make sure that Canadians in every part of this land do not turn their television sets back over and get disgusted once again and that the level of cynicism, which is probably justified against politicians and parliamentarians right across this country, does not rise.

I for one member of Parliament am probably as partisan as anybody in this House. I know this comes as a great shock to you, Madam Speaker, but I also know there is a time to do one's duty. This is such a time. We can change the opinion Canadians have about this place. We have a real opportunity here to drop those phoney lines of party policy, party ideology, and party names and for once to work in the best interests of Canada and the world.

If we can achieve this, then perhaps we truly have changed something substantial. Perhaps we will start back on the road to making this place a relevant place for debate on behalf of Canadians. We will have all kinds of time for partisanship. We will have all kinds of time to score in Question Period because other issues still go on. Life does move on.

On issues such as this, I urge every one of my colleagues here not to grasp quickly and easily that tool of partisanship we use so effectively and to act truly in the interest of Canadians to find a resolution for this place. Maybe just for once, when we finish in this place, we can all go home and feel we have contributed to the well-being and the development and the future of this country.

Some hon. members: Hear, hear.

Mr. Ray Skelly (North Island—Powell River): Madam Speaker, this was an interesting speech. It largely echoes the words of the Prime Minister in attempting to enlist the entire House in the adventure he has laid out for Canadians in the Middle East.

I am surprised that the members would not have taken this opportunity to stand up and say to stop shooting and that this House does not feel there should be one more bullet fired in the Middle East. The objectives of the Americans have largely been achieved. They have smashed the military infrastructure of the Iraqis. Now the program becomes one of butchery. We hear reports of 150,000 casualties. Are we as Canadians going to participate in the butchery? Do you want our CF-18s participating in the same manner?

We do have another option other than the one the Prime Minister has laid out. We cannot join with him. It must stop. He should be standing in this House today calling on the American President to end it, to give the Iraqis a chance to consider the kind of wreckage that been visited on them and to surrender, and to begin to talk about a peace treaty that would see demilitarization and disarmament go on.

The hon. member could have stood in his place today and said that we as Canadians likely have dirty hands in creating that monster. Certainly the French sold them the nuclear reactor that began the task of building atomic bombs for the Iraqis; the West Germans sold them plants to build the chemical weapons that they would have visited on us. The Americans built them up as a weapon against Iran.

• (1200)

The member could have stood up and said that we need a longer term view, that we should stop the war today and be calling out to the American President that enough has been done. The infrastructure is smashed. Give them a chance for peace and negotiate a demilitarization of that region. We do not need to participate in butchery.

If that is the position of the Liberal Party, and that is the position of the Conservative Party, we do in fact divide.

Mr. MacDonald (Dartmouth): Madam Speaker, unfortunately I think that my hon. colleague has shown how easy it is to become too partisan so early in this debate.

Mr. Skelly (North Island—Powell River): End it today.

Mr. MacDonald (Dartmouth): I hope that my colleague has listened to my remarks. There will be plenty of time to debate. There will be plenty of time for your

party, my party and the government to put their points forward.

But my God, there is a war on, and there are Canadians serving over there. Perhaps the hon. member could put his name on his caucus speaker's list, but at the current time I am trying to address what he has asked me. I would like to hear from him.

What I have said is clear. I did not have four days to get up and to give all the solutions that I think would help. I will have plenty of time for that. What I tried to do in my remarks was to give a message to the House of Commons. I did not come here to start debating whether or not I think the government has done the right thing. We have already debated that in this House. I brought a message. I would hope that if he did not hear me clearly, he would get the "blues" and read them. That is what we should be here for today—to stand united behind those individuals whom we have sent to the Middle East. I am talking about the Parliament of Canada.

What I did was appeal to this government and members on all sides of this House to find those peaceful solutions. I did not just talk about war. I talked primarily about peace. I talked about peace that probably would be better developed through less partisanship in this House and more co-operation for the sake of world order.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, I want to congratulate my colleague for what I thought was an outstanding speech today, a speech that I think sets the tone that all of us would be wise to adopt, given that the eyes and ears of Canadians are on us for as long as this debate continues.

The fact of the matter is that we are beyond a debate about whether or not Canadians ought to be involved in a war. We clearly said they should not be, but we are beyond that. War has begun. Canadian troops are now committed. Whether one agrees or disagrees, there is an action, a war theatre, that exists. I could not concur more with my friend that at this stage no member of Parliament should want to undermine those troops, those young Canadian men and women who have answered the call of their country. I am not suggesting any member of Parliament would want to do this.

As a young lady from St. John's who is in the forces was quoted yesterday, "I signed up. I signed on the dotted line. I am here. I will do my duty". I think we better think about that. I thought the leader of the NDP spoke well yesterday when she said, "no party has a licence on morality".

Some hon. members: Hear, hear.

Mr. Tobin: No party has a monopoly on morality and no member ought to question the morality—

An hon. member: I think somebody did.

Mr. Tobin: —or, Madam Speaker, should the intention of any member who speaks in this place from their bones, heart and soul be questioned.

I think the NDP member who just spoke from the province of British Columbia would do well to reflect upon the words of his leader. Then if he needs reinforcement, he should reflect again upon the words of my colleague for Dartmouth who just spoke in this House in an eloquent, responsible and very enlightened manner.

Members should know that this member comes from a constituency together with my colleague from Halifax, where a great many of the people who serve today in the gulf reside. He comes from a constituency where today, together with my colleague from Halifax—and a great many of those are former Newfoundlanders—a great many wives, and in some cases husbands and children, mothers and fathers, brothers and sisters are waiting at home, glued to their television sets, not to this debate, but wondering whether or not our troops have been involved in battle, whether or not we have taken casualties, and whether or not their loved ones, God forbid, are involved. If we wrap our minds around that reality in this debate, I think we can erase and flush partisanship from this House. I thank my friend for his remarks.

Mr. MacDonald (Dartmouth): I just want to offer a brief closing remark. I have a brother Paul who is a member of the Canadian Armed Forces. He chose that career and he serves proudly. My father served in the Second World War and served proudly, as have other members of my family.

Quite clearly, what we have to understand is that soldiers do not make wars, politicians make wars. Like it or not, we are the politicians in the Canadian Parliament at this point in time, and those men and women who live in my riding are at war. They are serving this country proudly, and I am not for one second—and I could care less if anyone in this House likes it or dislikes it—am not

going to cheapen their commitment to this country by allowing the circus that normally happens here to take away from the importance of the decision that they made to serve this country because I think it would be an absolute shame. I for one will conduct myself for the rest of this debate with those things foremost in my mind.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, I would like to compliment the hon. member on his speech. I feel strongly as well about the importance of members of the House coming together in objectivity and in constructive debate. It is also important that we do not let hyprocrisy become the order of the day.

I have been extremely conscious in this debate of the charges of following the party line and subjugating myself to the will and whims of others. I would like to make it very clear that I stood throughout this debate with the government. In November, I spoke solidly in favour of the government's position and I continue to support that position.

I have some difficulty with the speech of the hon. member today. I applaud him for his position but I cannot quite accept the conversion to constructive non-partisan performance. I witnessed his leader three days ago support a statement that said upon the outbreak of hostilities the Canadian forces should be withdrawn from the theatre of war. That is hardly an act of unity. Frankly, that is an act of belated hyprocrisy.

Mr. MacDonald (Dartmouth): There was a debate taking place, and my hon. colleague full and well knows it. There was a debate taking place in this House about what would be the preferred option if we were in charge in this place—just give me a second, I have listened to you and perhaps you could listen to me.

Let us not try to change the record. The debate was about what we would do. As a party we said that we thought peace should be pursued through the continued enforcement of existing sanctions, that sanctions should have a greater chance to work. We thought that that should have been the role of Canada. We said if that was the role of Canada and if that was the stated policy of the Government of Canada—because that is what the stated policy would have been if we were the Government of Canada—if hostilities broke out, Canadian forces should move back out of the immediate theatre of war. That is what we said. Don't try to twist our words on this. We lost the debate. Wake up and smell the roses. Last night war started and the Canadian forces are involved in that war. We lost the debate, and whether we like it not Canadian forces are there. The statements that I have made during my speech in response to the other questioners stand, and I will stand on those statements.

• (1210)

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Madam Speaker, I rise to speak in this Chamber today on the most heart-wrenching issue that has been debated in many decades.

Last evening we heard the tragic news that Iraq has been attacked and war has broken out. Notwithstanding this sad news, I still want to participate in this historic debate, put my views on record and explain why I will, vote in favour of Motion 27 which reads:

> That this House reaffirms its support of the United Nations in ending aggression by Iraq against Kuwait.

While I have made up my mind on the motion before this House, I am far from comfortable. As a matter of fact, I am uncomfortable. I am uneasy and I worry about the fact that many thousands of lives will be lost in this war.

I will be voting in favour of the motion before the House, but I would like to say that I reached this conclusion only after a difficult and exhausting thought process of examining all possible options. I have discussed the crisis with many people.

I have spoken with two families in the riding who have sons serving Canada in the Persian Gulf. Dr. Peter and Janet Van Nostrand's son John is serving on the HMCS *Athabaskan*. Mrs. Van Nostrand said that although she would prefer a peaceful solution, she believes the UN resolution must be honoured by Canada. She believes Saddam Hussein must be stopped.

Janet also said that she has a great deal of respect for our service people who have maintained good spirits throughout their ordeal. She also has great respect for

and confidence in our senior military officials directing this operation.

I have also heard the views of Harvey and Tina Meek of Markham. Their son Harvey is a jet pilot with 439 squadron in Qatar. Tina believes strongly that Canada should be involved. Like the Van Nostrands she, obviously, would have preferred a peaceful solution to have been found.

However, Mr. and Mrs. Meek believe Canada must honour its commitment to the UN resolution. Tina said Harvey has chosen this profession and is well-trained to do the job he has been asked to do. "He is an excellent pilot" said Tina "and is proud to have been chosen to go." Both Janet Van Nostrand and Tina Meek conveyed a strong sense of pride in their sons. They believe our service people should have the full support of all Canadians as they carry out their ominous responsibilities in this tragic war.

Last Sunday afternoon I attended a special prayer vigil for the Persian Gulf crisis. It was an ecumenical service organized by churches in the Stouffville area. Approximately 150 to 200 Christians were in attendance. We prayed for the leaders of all nations involved, including Saddam Hussein. We prayed for the military personnel and civilians on both sides of this conflict. We prayed regarding our own response to the prospects of war. Also, we prayed to celebrate Christ's sovereignty and Lordship.

Since Monday of this week I have had 23 concerned people in my riding call my constituency office in Unionville. Fifteen people believed that Canada should not be involved in an armed conflict and eight said that Canada should support United Nations' efforts to stop Saddam Hussein.

I, too, wanted a peaceful solution and I, too, did not want Canada to be involved in a war. I did not want John Van Nostrand and Harvey Meek to be involved in an armed conflict. I would have liked to have seen an absolute end to war on this planet. Mankind should be capable of achieving this.

In my view, the United Nations is the only vehicle or process through which world-wide peace can ultimately be achieved. When Kuwait was first invaded by Saddam Hussein last August, I understand that the United States was on the verge of declaring war on Iraq and going it alone to drive Saddam Hussein out of Kuwait.

Through the efforts and interventions of our Prime Minister, President George Bush was persuaded to act under the auspices of the United Nations.

The Iraqi issue has been the moment of truth for the United Nations. The usefulness of the League of Nations was dashed when Italy was allowed to invade Ethiopia in 1936 without a mobilized and co-ordinated effort by allied nations to force the Italian aggressors out.

Thanks to the end of the cold war and the dramatic changes in the Soviet Union's economic and military policies, we now have witnessed for the very first time the U.S.S.R. voting with the United States and other members of the UN Security Council to condemn, in effect, the actions of Saddam Hussein and take military action, if necessary, to drive the Iraqi forces out of Kuwait. If the Security Council had not passed resolution 678, I believe the value and purpose of the United Nations would have been permanently crippled.

We are witnessing the most remarkable chapter in the history of the United Nations. It will be a chapter which will send a strong statement to would-be aggressor nations for decades to come. I believe it will be a strong deterrent to the leader of any country which might consider attacking or invading another country. Such a leader can no longer assume that he would capitalize on having two of the world's superpowers on opposite sides of the conflict. Such a leader would have to be cognizant that in 1991 the U.S.S.R. and the United States voted in unison to condemn Saddam Hussein's brutal invasion of Kuwait and that on Wednesday, January 16, the United Nations' contingent attacked Iraq.

Over the past few weeks, like many Canadians, I have struggled with the question of whether sanctions would work. Only a few days ago, I thought that we should consider recommending an extension of the period for sanctions to work. However, I have been persuaded that with a tyrannical regime, such as that in place in Iraq, sanctions would not work. I believe Saddam Hussein and his army would have continued to be well fed. I also believe that thousands of average Iraqi citizens were undergoing grave hardships regarding lack of food, safe drinking water, medical supplies, and proper sanitation. However, there is not the remotest chance that these

people could have risen up and demanded that their leader reverse his position and pull out of Kuwait.

Saddam Hussein has carefully orchestrated his Iraqi invasion to be seen by his followers as a religious crusade. Saddam Hussein has also very cleverly fuelled the flames of hatred by the Iraqis against the United States of America.

We have, in Saddam Hussein, a stubborn, fanatical leader who I now believe would never have had the moral courage and wisdom to withdraw peacefully from Kuwait.

If sanctions had been allowed to continue, one has to ask what action Saddam Hussein would have been taking. He would certainly have had time to increase the mobilization of his men and equipment. As the right hon. Joe Clark said yesterday, there was some indication that the Iraqis were building an oil pipeline to the gulf. This would have made it possible to pour millions of gallons of oil into the gulf which would not only have created an environmental disaster, but, if torched, could have created a horrific holocaust. Also, more time would have permitted Saddam Hussein to build up his arsenal of chemical warfare and perhaps nuclear weapons.

I also would like to say a few words about Israel. Saddam Hussein has threatened to attack Israel and to establish a linkage with Kuwait and Israel. Israel has demonstrated a commendable restraint over the past few months. However, if the United Nations had not used force to stop Saddam Hussein, does anyone think he would have stopped with Kuwait? I do not.

All diplomatic efforts by many world leaders over many months did not yield results. Saddam Hussein summarily rejected every opportunity for a peaceful solution to the crisis. I thought he might change his mind. I prayed he would. But in the absence of any movement by Saddam Hussein, the United Nations forces decided to initiate armed conflict to free the citizens of Kuwait and protect the fundamental viability of the United Nations.

Such action will send a chilling message to the world that armed aggressive actions such as Saddam Hussein's unprovoked invasion of Kuwait will not be tolerated by member countries of the United Nations.

In closing, I pray that this war will end very soon and that Saddam Hussein will surrender quickly to minimize the loss of lives.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, as always I listened very carefully to what the hon. member said, and I would like to ask him two very specific questions.

I would appreciate it if the hon. member would give us his views, quite frankly as always, on two proposals. It is a fact that when a war starts, we must also have people who are prepared to talk about peace, disengagement and cease-fire. We cannot just wage war. We also need people who will say how to stop the war. So what kind of diplomatic means will it take? Do we have any ideas? Do we have any suggestions? I have several that I would like to submit for comment to the hon. member. For instance, how about starting right now with representations to the United Nations, with suggestions for a plan that at the time was mentioned by Saddam Hussein himself, when he was otherwise engaged against Iran and shortly afterwards, concerning a conference on bacteriological, chemical and nuclear disarmament, in other words, to make this vast area which is the world's powder keg—The hon. member knows my thoughts on that. For 25 years I have been saying: It is going to explode. It's a powder keg, getting bigger all the time. Bigger and bigger.

• (1220)

Aside from Saddam Hussein, whom we condemn because of his invasion of Kuwait, does the hon. member believe that the time is ripe for considering the possibility of a conference on nuclear, bacteriological and chemical disarmament, involving all countries in the area, and I would include a friendly country, Israel, especially with respect to nuclear arms?

Second question: How long does he think it will take to call this international conference, to set aside all the hypocrisy and lies that prevent us from looking reality in the face, a real international conference, so that we can stop talking about the Middle East, about those incredible tragedies in Lebanon, the Golan heights, and the Gaza strip. Would the hon. member care to comment?

[*English*]

Mr. Attewell: Madam Speaker, I thank the hon. member. He has a long history and a great knowledge of the problems in that part of the world.

I have no hesitation in wanting to support any initiative that would end the threat of nuclear weapons. I think we should embrace such an initiative. I would not know all the parameters or guidelines to put on such an initiative, but perhaps a new chapter will open up after this conflict which we are now in the middle of. Perhaps it will bring many more countries to the table to discuss exactly such a proposal.

Most of us here in the Chamber have children. I have five grandchildren and another one coming next month. This world needs global attention now. It needs global co-operation, specifically on the issue the hon. member brought forth.

How long will the world community wait for such action? Again, I think this conflict is going to make everyone impatient that we get along and get moving on such an initiative. I thank him for bringing this to my attention in the House.

Madam Deputy Speaker: Resuming debate.

An hon. member: Madam Speaker.

Madam Deputy Speaker: The question and comments period is only five minutes at this point, so it has expired. We are going to the second 10-minute period. The hon. Minister for Employment and Immigration, on debate.

Hon. Barbara McDougall (Minister of Employment and Immigration): Madam Speaker, my colleague, the hon. member for Don Valley North, spoke briefly of his friendship with and his commendation of the State of Israel. I want to elaborate a little bit, if I may, on those comments today.

Let us be clear, Madam Speaker, on a number of things that have happened recently in the Middle East in ways that have created a tragic situation for the world. Like other hon. members, I am anguished that the peace and stability in the world, which seemed within our grasp with the fall of the Berlin wall and with the recent fall of other symbols of repression and the atmosphere of hope so many of us had for the future of the world and for international peace, has come to such an abrupt end with what we have seen happening in Iraq and in Kuwait. There is not a single member of the House who would have chosen this to happen, particularly in contrast to that period of hope.

I do want to pay tribute to an ally of Canada's and of the western world who has been put in a particularly appalling position by the state of affairs that has occurred. The politics of the Middle East are steeped in traditions and enmities that very few of us in the House and in our country can comprehend. They go back for centuries. I would not attempt to have a full knowledge of them, and I do not think any of us would.

It does seem to me that there is a very large difference between what is happening in the gulf today and those historic tensions in the Middle East that have been building up for so long and over so many centuries.

Saddam Hussein is a phenomenon unto himself. He is a devil of his own creation. He arose over a period of the past 10 years to become a threat to all of us. He would have done so, in my view, whether or not there had been tension between the Israelis and the Palestinians, and whether or not there was that ancient tension between Arabs and Israelis.

Saddam Hussein waged a war against Iran. It is problematic, but I believe he would have done so, whether or not those ancient tensions with Israel existed. He invaded Kuwait, and I believe he would have done so, whether or not there were those historic tensions with Israel.

Having said this, I want to state publicly that I regard the patience and constraint that Israel showed in the circumstance as being exemplary and I pay tribute to it. Imagine if we had been debating in this Chamber under conditions where we were threatened with an attack and a conflict that essentially had nothing to do with us. Iraq invades Kuwait and the leader of Iraq says that if he is attacked, he will attack Israel. What would we do if we were in such a position? Our Prime Minister referred to it briefly the other day in his speech when he talked about the context in which these threats were made against Israel. Would we have been able to sit still and not pre-empt such an attack? We may or may not have.

I think the fact that the State of Israel, a country that is 42 years old—younger than many of us in this Chamber—and smaller than Vancouver Island, was able to do that is worthy of our commendation. This does not mean, in my view, that the tensions between Israel and its neighbours do not have to be resolved. But I do think we have to understand the context in which they must be resolved and that the parties in the region have been

historically and recently at a stalemate, that something is going to have break open that pattern. It is still my wish that the parties in the region could resolve that.

• (1230)

I would also remind hon. members that there was tension with the Palestinians before Israel entered the Gaza Strip following an attack upon Israel itself, that the refugee camps that were established in the Palestinian region were established essentially after the founding of the State of Israel but before Israel moved into those territories in response to an attack upon its territory.

The complications around these issues are large and it is incumbent upon us not to over simplify them by suggesting that a simple action or outside pressure on one party or the other, or on both, is going to resolve those. That is still for the future to decide.

We are all in this Chamber I think sensitive to the fact that what happens in that region affects all of us. I do think it is incumbent upon us to recognize that we have some allies who have supported us in other situations, that we must try to come to grips with what those threads are that have wrought such a black fabric in a region that is fraught with tension before we make judgments upon what those solutions may be.

I think there have been provocations on both sides in this dispute. I do not think anyone would argue that. I do not think any friend of Israel would argue that. But I do want to assure many of the friends of Israel in Canada, many of those in the Canadian Jewish community with family in that region, that many of us are daily conscious of the decisions we take and the impact that they will have on those families and on that nation.

Of course, there are other nations involved and of course there are other people at risk, not least of whom are our own who are there defending the values that we stand for and the United Nations and are doing so at risk to themselves. But I want to say to those people in the Jewish community in Canada that whatever is happening in the Middle East, there are many of us in this Chamber who are thinking of them, their friends and relatives and their support for that region, and for that state, that many of us have also shown.

I watched the people in the region as they prepared to deal with a gas attack. One of my very early memories is of my father, who was going overseas during World War II when I was a very young girl. I tried on his gas mask just before he sailed away on a ship from Halifax harbour. I have been thinking every day since of what people in the region of the gulf and in Israel are facing. Those memories are very strong in my mind as I know they are in others who actually dealt with and were in battles in Europe during the war, which I certainly was not.

But I think that for all of us who desire peace and for all of us who value our friendship with states in the region that we wish a speedy end. That is what the government has stood for and that is what we continue to stand for.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I have only a comment to make. I just want to take this opportunity to thank the minister for the very sensitive manner in which she has looked at the issue. I think that one broadens not only for the Israelis, for whom of course my heart is very much there, but for all ethnic minorities who live in that area. It is a very trying time. For all the families who have extended family in that region, I know that that is where our heart lies and that is where our concern is.

I can only hope that with Godspeed and our prayers we will have a very short-lived war and the problems that come from it will see the kind of resolution on a bilateral basis that will make good sense and bring the harmony that we are looking for in that area.

Mrs. McDougall: Madam Speaker, I would like to thank the hon. member for her support. Certainly, by my statement, I did not want to suggest that there were not others at risk, and I know she is not implying this. Clearly, there are many lives and groups at risk. I wanted to say that many of us believe that Israel is in a special situation because it had been singled out as a first target, and that in standing aside, the government and the people of Israel have done a service to world peace and to all of us. I say that not in an effort to be trite or to minimize the efforts that others have made.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Madam Speaker, I would like to comment on the speech I just heard.

I agree that the people of Israel have been calm and patient to an admirable degree. In this respect, I share the sentiments of the hon. member for Mount Royal. However, when someone says that Mr. Hussein is his own creation, that Mr. Hussein is a phenomenon, that I cannot accept. Saddam Hussein is a creation of ours, of the United States. We must understand that when you start doing business with dictators because a dictator happens to be the enemy of your enemy, you are playing with fire.

What is particularly disappointing, and I say this as a former military man with a son in the U.S. Navy, is the failure of diplomacy, which obliges our soldiers to go over there to solve the problem we created here in the House and elsewhere.

In concluding, Madam Speaker, I hope we will learn a lesson and the lesson is this: When we support dictators because it suits us, we do so at the expense of the innocent, whether we are talking about Iraqis today or young people, soldiers in the armed forces that have to go over there to correct a problem that we created.

[*English*]

Mrs. McDougall: Madam Speaker, once again, what I was trying to point out, and I stand by this, was that the situation in that region is a complicated one and I do not think one can say that a regime has been created by another. There were many factors that gave rise to the politics in this region. We, in this country have stood for, and our allies have always stood for, an attempt to find peace in that region.

Occasionally, we take people as we find them. It is not always in our interest to walk away from situations when we do not like what we find. There is no question in my mind that what has happened in Iraq, and the recent history of Iraq, has a lot to do with a single individual and his horrifying ambition, that he was not simply cut out of whole cloth. To suggest that there has been some evil Machiavellian attempt on the part of the United States or our friends and allies I think is to go well beyond the reality of the region, and to insert something into the discussion which I think may be out of keeping with the atmosphere in which we find ourselves today.

• (1240)

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I rise in this House today feeling very nervous about the state that we are in. I must say that before I came to the House, I referred back to a text from Prime Minister Trudeau when he gave a speech on October 27, 1983, at the University of Guelph. The title of the speech was "Reflections on Peace and Security".

He, of course, during the speech went through Canada's history and participation in NATO and its support of the UN. I want to quote the remarks he made early in his speech. "The difficulty all of us experience in trying to know what is going on in the world—to know it and to understand it in a manner that is accurate and that provides the ground for useful action. Too often our knowledge and our judgments are true and false at the same time. This is often the distinctive sign of rapidly changing realities which tend to elude our understanding".

We as Liberals on this side of the House have wanted to come back to this House and talk about this issue for many weeks now for precisely that reason. We have wanted to get accurate information and try to understand exactly, to the best of all members' ability, what is happening.

For the last two years the thought processes of members in this House have been working on a new world order where war was just totally out of our minds in terms of a real possibility. I think I can best describe it by referring to some comments I made last year at this very time when I was in Moscow. I was so proud to be speaking on behalf of the government at a Soviet–U.S. Citizens Summit on the environment.

I could not get over the feeling that I had that there we were, all working together, exchanging ideas, and our whole thrust was not measuring our strength as nations by the money we had or the armaments we were building up, but that we were measuring our strength by the mouths we could feed and the environment that we were all trying to protect.

For all of us in the House, our systems, our thought processes, have been working along these lines for the last couple of years. Now, all of a sudden, to be involved

in war is a tremendous shock because there have been so many peaceful changes in the world during the last couple of years, so many positive elements.

In my riding of Broadview—Greenwood, I must tell you that I have been receiving hundreds of names on petitions. Holy Name Church personally delivered petitions last night. Many people have been writing, people in my riding, members who have family in the Armed Forces who are in the Persian Gulf right now, but who were hoping that we could put our minds to work over the war machines.

We on this side of the House have been trying and hoping that there was some way, some idea or some different approach which would maybe trigger an action that would cause Saddam Hussein to withdraw from Kuwait.

As our motion said, we did not support what was going on at that time. However, now we are at war, and I still believe that we should be continually putting our minds to work at ideas to stop this war, because it is going to be a lot harder to stop it than it was to start it.

I hope, as many members have said today, that we can keep the tone in this House directed toward peace and creativity. We should not get caught up in the fact that when we listen to the CNN or to many other broadcasts it is the military might that seems to be getting the pre-eminent play. We should be hearing more from people with ideas on how we can somehow have a diplomatic way of stopping Saddam Hussein.

Our leader said last night that we support our troops over there. There is no question of that on this side of the House. Now that the action has begun, it would be absolutely foolish for us to try to send a signal which would in any way, shape or form give anything but a sense that as Canadians we are all together.

As I mentioned last night, three summers ago I had the experience of staying in Kuwait for almost three weeks. I have friends there. Some of them have immigrated to Canada. We are not without feeling for what is going on in their homeland. We know that he is an absolute madman, but we also know that many of the 450,000 Kuwaitis who are still there are probably now at greater risk than ever.

I say to you, Madam Speaker, and I say to all members of this House that none of us here support war. We must put our collective thoughts together whereby we can somehow break through or influence others who are senior politicians around the world to cause this war to end very soon.

Mr. Joe Fontana (London East): Madam Speaker, I want to applaud my good friend, the member for Broadview—Greenwood. He is trying to reflect not only the concern, worry and wishes of his own constituents but those of all of us on this side of the House including myself.

I have received hundreds of calls from my constituents in London East. It is a very sad day not only for Canada, because in fact we have embarked on this military action, but also for the Middle East and the world. We all understand that war at any time tends to erode that human fabric that holds all of humanity together.

War is not a solution, and that is what I think my hon. my friend was saying. War is not a solution to the problems not only in that region but to the problems of the world that we all have to work toward solving.

We on this side have been very frustrated that in fact a peaceful solution in diplomacy was not given a proper chance until the ultimate military weaponry had to be used.

• (1250)

We all agree that the dictator had to be removed, but are we all satisfied that the means justify the end? Will in fact a military victory bring peace to the area which the minister was talking about in a very complicated region of the world? Will the ultimate military victory bring peace in the world?

The other Arab countries in the area are also victims, I suggest, just like Israel. They did not want this dictator moving in on a sovereign state, because now what we have is perhaps further instability.

I want to ask my hon. friend what he believes are some of those things that can be done now that in fact armed conflict has commenced? Wars, as our leader said, are easy to start, perhaps too easy to start, but much more difficult to stop and for peace to be given as chance.

Can the member perhaps share his knowledge of the area and tell us some of the things that can be done as of today so that no more human blood has to be let on both sides? In the end, we all have to live with each other. We all have to build this world of co-operation which

seemed so promising about a year ago. I wonder if I could ask my hon. friend those questions.

Mr. Mills: Madam Speaker, I want to say to my colleague, first of all on the issue of sanctions, that it is a question of judgment. This is what I meant when I quoted Mr. Trudeau. One can be right and wrong on this issue. Quite frankly, I personally believe that maybe it was because we did not have enough knowledge that we not give sanctions a much longer period of time. In my judgment, and as many members have said, this is an issue of conscience. I did not get a sense that we had given it enough time.

We all know that this is one of the most complex areas of the world and that the relationships and the tensions go back for centuries. I do not have a magical solution. I humbly submit that this is why we must, as the member for Dartmouth said earlier, try to avoid partisanship. None of us has any sort of special ownership on this issue in terms of whether we are right or wrong. This is why we have to let down our guard and speak to each other in a way that somehow we will collectively come up with some kind of solution, and that is the best I have to offer.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I apologize because a moment ago I could not rise to speak after the remarks of the Minister of Employment and Immigration. I should like to direct a question to my colleague. Members of the House and the minister know that in my party, in all parties, there are great friends of the State of Israel. This fact is well known, it was referred to earlier, and most of the minister's speech related to that. Indeed we all know that Canada is a friend of the State of Israel. I would have liked to direct my question to the minister, but since I cannot I will put it to you. I wonder whether time may have come for the friends of Israel to realize that as long as the Shamirs, the Begins and others refuse to admit that if they do not find a solution to the Palestinian issue and to the creation of a Palestinian state—that is what Canada voted for on November 1947—should the people who claim to be the friends of Israel not remind them that the greatest friends of Israel are not blind friends but friends who bring them back to reality?

You know, I have probably known all the Middle East heads of state. When people try to scare me with Saddam Hussein I could tell them all about Mr. Assad, the new Syrian leader who has now become the new ally of the Americans, if you can imagine that. Until very recently, Madam Speaker, Mr. Reagan and Mr. Bush were telling Americans that Damascus was the nerve centre of Middle East terrorism. Now he is our ally.

I do not want to be mean, but the young college and university students who are listening to us need to be brought back to reality. One of the first terrorists was the current Prime Minister of Israel, a man we welcome here with open arms and who is called Mr. Shamir. He was one of the leading Polish terrorists with Mr. Begin, but now he is Prime Minister. The fact remains that he was once a terrorist.

I want to ask my colleague whether he believes that the Canadian government should admit that the time has come? My colleagues may agree with me that this war may be deplorable and unacceptable—war is war—but it may finally open our eyes to the Middle East reality and force us to come to grips with the problems generally. This will take time, but we have to start from the beginning, and the beginning is that the Palestinian state will eventually see the light of day. Would my colleague care to comment on that?

[*English*]

Mr. Mills: Madam Speaker, I would say to my colleague straight off that I absolutely believe that if there were ever a time when all of us should become more fully aware of all accurate facts in the history of this region, it is now. Obviously that would lead, in my opinion, to us sitting down at some kind of conference wherein all these issues would be resolved.

My answer to the member is yes, absolutely, correct. I think that would be serving Israel in the long term.

Mr. Jim Karygiannis (Scarborough—Agincourt): Madam Speaker, I have a question for my colleague from Broadview—Greenwood.

Right now we are in the midst of war. It is very heartbreaking for many Canadians that we are in this situation. However they are—

An hon. member: You look very hurt.

Mr. Karygiannis: I would like to let my colleague from Scarborough Centre know that we have a lot of room on this side of the House for her.

However, returning to reality, there are many people in Canada from the Middle East who are seeking refuge: people from Syria, people from Iran, and even some people from Iraq.

I noticed previously that the Minister of Employment and Immigration was present in the House, but I would like to ask my colleague a very specific question. Does he believe, as I do, that the cases of people seeking refuge in Canada from that part of world should be expedited and looked at very carefully so that if there are any terrorists among them they will be weeded out? Does he believe that those particular cases should be brought to the forefront and dealt with as expeditiously as possible because those people could end up being stateless?

Mr. Mills: Madam Speaker, first I would like to say to my colleague from Scarborough that I have written to the minister on this issue several months ago, not only in terms of the areas the member has mentioned but the entire backlog situation. I think we should all be deputized to assist the minister of immigration to expedite the process, especially right now for the countries the member mentioned.

The member reminds me of our mutually good friend, Bishop Sotirios, who has mentioned no doubt to him as he has to me and our colleague from Saint-Denis, that we are very nervous about Cyprus right now. We are nervous that there may be a chance that the government is thinking of withdrawing its troops. In this period of deliberation and debate, we had better make sure that we reflect on all the facts and make sure that does not happen.

[*Translation*]

Madam Deputy Speaker: It being one o'clock, I do now leave the chair until two o'clock this afternoon.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 pm.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*English*]

GULF CRISIS

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, now that it has come to war, I believe the top priority of this House must be the safety and well-being of Canadian troops and civilians in the Persian Gulf.

I know that the thoughts and prayers of all Canadians are with our citizens, Armed Forces and civilians alike, in the Middle East. We all hope for their safe and speedy return.

My thoughts are also with those Canadians who have family members and loved ones in the gulf. I would urge the government in the strongest possible terms to make provisions immediately for family members to be kept abreast of unfolding events in the Middle East. It is simply not enough that these individuals be forced to rely on the media for information as to the status of their loved ones.

Mr. Speaker, I urge the government to establish a toll-free, nation-wide hotline so that family members can receive up to the minute information on what is happening in the gulf, especially as it pertains to Canadian troops and civilians.

I also urge that regular communications with family members be initiated by the government and that these communications be as open and frank as possible.

Our troops and civilians currently in the Middle East deserve the best possible support we can provide for them and I strongly believe the same consideration should be extended to family members here in Canada.

I would strongly urge the government to get with it in this regard.

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[*Translation*]

THE ECONOMY

Mr. Saint-Julien (Abitibi): Mr. Speaker, Premier Robert Bourassa of Quebec will be announcing today an important economic recovery plan of one billion dollars to counter the effects of the recession in Quebec. Mr. Bourassa said yesterday: "The economy obviously remains the first priority."

Mr. Speaker, I am happy to see that Mr. Bourassa is doing well. We need him in these difficult times in Quebec because, as far as I am concerned, he is a great Quebecer as well as a leader.

S. O. 31

[*English*]

HUMAN RIGHTS

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, Canadians greet this day with deep sorrow and sadness. We have failed to resolve international problems by peaceful means. People, as I speak, are being killed by a war that we helped to initiate.

As a Korean veteran, I want to say that war and killing are never a solution. During past times of crises and tight security in Canada, civil rights of Canadians have been threatened. Canadians of Jewish, Ukrainian, German, Italian and Japanese origin, *et aussi les Québécois* can attest to this.

It must not happen again. Just as we will support families of our Armed Forces, we also must support families of Arab and Middle East people living in Canada. We must widen our understanding of their culture and religions, prevent discrimination and prepare to open our doors to refugees.

Above all, we must work together to end this war now. Canada must find peaceful alternatives to help resolve Middle East problems.

* * *

GULF CRISIS

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, the grim reality of war brings many solemn thoughts to each of us. Three of them especially come to me today.

I know, for example, that I speak for every constituent in Fredericton—York—Sunbury in expressing deep and abiding concern for the men and women in Canada's Armed Forces now in the Middle East and for their families here at home.

This has intimate implications for a great many people in our riding, particularly those at CFB Gagetown.

As a member of Parliament, of course, I share the torment which each of us must feel as we accept the risks and responsibilities of decisions relating to war.

I stand firmly with the Government of Canada but obviously it is tempting to be on the side of the angels when one is not required to confront the devil. As a Canadian concerned for the unity of our own country, the war-torn tragedy of the Persian Gulf magnifies for me the absurdity of separating Canada in any form and intensifies the challenge for all of us to make sure that never happens. Let us commit to that challenge as we have also committed to restoring the peace in the Middle East.

* * *

GULF CRISIS

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, watching the events unfold last night, faces of Canadian servicemen and women kept flashing through my mind. I commend their courage. I mourn the loss of their youthful innocence and I pray for their safety.

The many calls I have received from my riding of Hamilton Mountain clearly show that although Canadians did not want this war, their hearts and prayers are with our military.

While we are trying to come to terms with all of this, we must focus our minds on looking for a cease fire and for ways to deal, with fairness and justice, with the horrendous consequences of war. Now is the time to assume Canada's traditional humanitarian and peacekeeping role.

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GULF CRISIS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, as ye sow, so shall ye reap. Mr. Hussein's war has entered a new phase and multinational forces have now entered the fray to expel Iraqi forces from occupied Kuwait. This multinational force is acting under the authority of the United Nations to implement resolution 678.

It is appropriate and proper that Canada and its forces should participate in support of the alliance for three

reasons: first, international peace and security are in Canada's national interest; second, the maintenance of the international rule of law is in Canada's national interest; and, third, the United Nations is the best and one vehicle for the attainment of international peace and security and the rule of law.

As the former Prime Minister and Leader of the Opposition said so eloquently in this House yesterday, Canada has never failed to stand by and support the United Nations. It would be an abandonment of our history for Canada not to stand by the UN in this great moment of need.

I commend the current Prime Minister and Government of Canada for having the integrity and courage to do what is right for Canada, the United Nations and the world. May the conflict end quickly with minimum casualties and may all Canadians stand by and pray for our forces and their families.

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GULF CRISIS

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, during the last few days members of this House have had the opportunity to make speeches and debate the issue of Canada's role in the gulf. I would like to add to the debate the voice of children from L'École Intermédiaire Sacré-Coeur in Timmins and St. John's School in Sault Ste. Marie. Our youth, whose future is at stake, must have a say in this matter.

[*Translation*]

Katrine Sauvé from Timmins tells us: "War is destructive for everyone. What is going to happen to us, the young?" "The thought of war is scary and troubling as I think of my future and that of others. Please, make peace, not war", says Christine Savage.

Vicky Saint-Denis is 13 years old. She says: "No war. The alternative is peace, love and justice. War frightens us. It gets us killed, decimates our families and our homes. Please, let there be no war. Let us have peace instead."

[*English*]

Candice Day from Sault Ste. Marie wants us to know that she is 13 years old and that she would like to live until she reaches the age of 14. She tells us that, "If there are cures for diseases, why are there not cures for war?"

Time is lacking for me—

Mr. Speaker: I think that the hon. member's time has expired.

[*Translation*]

PERSIAN GULF CRISIS

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, the past few hours were a time of fear and incertainty all over the world. Canadians are stunned and afraid to see Canada engage in war. I find it hard to understand the need to come to such dramatic decisions as declaring war in order to restore global order and bring about peace.

I never thought I would have to take part in making such a decision in my political career. However, deep down inside me, it is clear that Canada must be alongside its allies. Saddam Hussein cannot be allowed to endanger the fragile world balance. No state or head of state has the right to take a neighbouring country by force. Saddam Hussein must understand that he has to get out of Kuwait.

* * *

• (1410)

[*English*]

GULF CRISIS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, this is a sad day for Canada. Canadians know that my party wanted our troops withdrawn if war with Iraq were to begin. We lost that debate.

Now that the government has decided to involve our troops in military action, we will do everything in our power to support our men and women who are now in this war, thus ensuring their security and safety. However, my party stands united in considering this an unnecessary war at this time.

What do we do now? Stop the war as soon as possible. Seek a peaceful solution to this conflict. Anticipate the problems that the war will create, such as care for the injured, the emotional trauma which will be suffered by combatants and non-combatants, the economic and social insecurities which will be brought to that area of our planet, the environmental impact of the war, and averting other wars and conflicts.

S. O. 31

[*Translation*]

War should always be a last resort. War marks a breakdown in humanity. Let us think of the future, of Canada and of our young people.

* * *

[*English*]

GULF CRISIS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, in the last few days every member of Parliament has had to decide whether or not to vote for Canada to support the United Nations resolutions regarding Iraq.

I truly understand those that have called for peace not war. The problem is it never was a question of peace or war. There already was war, a war of the worst kind in Kuwait. The question really was would Canada become involved or not.

Canada did become involved and I support that decision.

The awful truth is there will probably always be a Saddam Hussein, maybe a little better, maybe a little worse, but there will always be someone like him. The difference now is that the Saddam Husseins of the world will face and know they face the prospect of unified forces of the countries of the world under the United Nations.

The contributions being made by the multinational forces right now will go a long way to ensure peace in the future and they all have our support and prayers.

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GULF CRISIS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, for young Canadians this is the first time they experience their country being at war. It can be a time of confusion and disillusion. It can also be time for new hope.

We in the Liberal Party join our voices with all Canadians calling for peace by way of an early cease-fire leading to negotiations to settle the current gulf crisis. It will take strong and skilful leadership qualities to achieve an early and lasting peace. We all urge the Government of Canada to persist in the pursuit of the road to peace. It will be a difficult path to follow but one which Canadians, young and old, will support unanimously.

Give peace a chance. That is the Canadian tradition.

* * *

[*Translation*]

PERSIAN GULF CRISIS

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, many attempts have been made to find a peaceful solution to the crisis in the Persian Gulf. All diplomatic initiatives deployed since the beginning of the invasion of Kuwait and intensified during the past 48 days have failed because of the intransigent attitude of Saddam Hussein. Mr. Hussein has flouted international law and order. Unfortunately, the war is now a reality, a sad reality that gives no one cause for rejoicing. We all hope that this conflict will be brief and will be followed by a long and lasting peace.

On behalf of all my constituents, I want to say that we fully support and wish the best of luck to all Canadian military men and women who defend, with pride and dignity, the rights, freedoms and principles we hold dear. We think especially of their families and friends, and we hope they will soon return home safely.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, just one month after the government gutted the CBC, the cash-strapped network is off to join the pools of international reporters currently providing coverage of the gulf war.

While millions of Canadians are glued to their TV sets, we are severely disadvantaged by witnessing censored American coverage through American eyes.

With U.S. networks estimating coverage of the crisis at $1 million per week, where is our national broadcasting service expected to find the necessary funds. CBC employees and local stations can only fear it will be at their expense.

Canadians, as a caring and peaceful people, are concerned and want to learn what is happening in the gulf. Coverage of our forces' involvement in the gulf

crisis can only be objectively provided by our own reporters.

Cabinet has made the decision that Canadians will now play an offensive role in the gulf. Will this same Cabinet provide the funds required for the CBC to provide adequate coverage so that Canada can come to understand the tragedy of war through Canadian eyes?

* * *

[*Translation*]

LITHUANIA

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, considering the sad events now taking place in Lithuania, we must condemn outright the use of force to smother the legitimate aspirations of a people. This kind of armed intervention is particularly odious, coming as it does after the Lithuanian people had democratically expressed their legitimate aspirations.

At a time when Quebec, for the second time in 10 years, is also preparing to exercise democratically its inalienable right to self-determination, we feel a special solidarity with the Lithuanian people, having experienced the intervention of the Canadian army in 1970, as a result of the War Measures Act.

I hope that Lithuania will be able to continue on its peaceful and democratic way towards freedom. I also hope that the will of its people is respected by the entire international community.

Furthermore, I hope that in the not too distant future, our two countries, Quebec and Lithuania, will be able to work together as sovereign nations.

* * *

[*English*]

PERSIAN GULF CRISIS

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, last night Canadians sat in their living rooms and listened with shock as reports confirmed our worst fears, that war had begun in the Middle East.

Now that the United Nations effort has begun we, as Canadians, have to come together in support of our soldiers, men and women, who have placed themselves at risk to restore world order.

The world through the United Nations has taken a stand against the naked aggression of Saddam Hussein. We must stand together to ensure the principles as set forth in the UN charter are upheld.

Former Prime Minister John Turner perhaps put it best when he said that we are all citizens of the world. Indeed, Mr. Speaker, we all have a responsibility to share in the collective security of our world and the action which began last evening was the first step to realizing that objective.

ORAL QUESTION PERIOD

[*Translation*]

PERSIAN GULF CRISIS

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. Today, for the first time in 40 years, Canada is at war. During the past few months, the Liberal Party has urged the government not to choose the war option. Today, now that the war has started, we will do everything that is necessary to support our Canadian military men and women who are fighting today in the gulf. We want to see them safely back in Canada as soon as possible. I therefore want to ask the Prime Minister: Could he inform the House whether Canadian forces were directly involved in the military operations against Iraq? If so, could he tell us how many casualties there were, if any?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, unless there has been some last minute information, no, there was no involvement of Canadian troops and as far as I know, there were no casualties at all. My hon. friend referred to there being a war option. Canada did not choose that option. It was Saddam Hussein who started a war against his neighbour on August 2. Canada, after entirely admirable attempts with other countries, sought peace and all our efforts supported a lasting peace. However, every attempt was rebuffed by Saddam Hussein. At the very last minute and once the die was cast, Canada joined the other countries defending the interests of the United Nations and in so doing defended the interests of peace in the world.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, it is encouraging to learn that there have been no Canadian casualties so far. As I said, while we had hoped that Canada would not be in this war at this time, we will, as Canadians, do everything we can to support the Canadian men and women who are fighting in the gulf.

In light of that, will the Prime Minister report to members of Parliament and Canadians on a daily basis on how the Canadian forces are doing in the Persian Gulf?

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will of course be happy to report, not only today, but many times as the relevant information becomes available to me.

We also have offered, and I will be happy to repeat the offer, regular confidential briefings for the leader of the Opposition and the leader of the New Democratic Party in regard to developments in the gulf, the details of which it might not be in the public interest to divulge at a given time. We will share with the opposition.

I understand that the Secretary of State for External Affairs will be responding to invitations from parliamentary committees. We would look forward to the co-operation of all members of Parliament. To that end we will share with my friends, the leader of the Opposition and the leader of the New Democratic Party, any and all information that we can. I will make any reports that I can make to the House and the country.

Some hon. members: Hear, hear.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to thank the Prime Minister for his answer.

As the Prime Minister knows, the United Nations Security Council was in emergency session overnight last night.

Can the Prime Minister advise the House exactly what Canada is doing in the United Nations to bring about an early cease-fire? What is Canada doing today to seek an end to this tragic conflict as soon as possible?

Some hon. members: Hear, hear.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, earlier today, following a cabinet meeting, I asked the Secretary of State for External Affairs to be in direct touch with Perez de Cuellar, the Secretary-General of the United Nations, both in regard to the peace plan, elements of which were submitted by Canada in writing as a possible initiative last week and also to consider any possible alternatives even at this late hour which might bring an end to hostilities.

The fact of the matter is that all that is required to end the hostilities is a clear signal from Saddam Hussein that he, even at this late moment, is in the process of withdrawing from the illegally-occupied country. To this end, the Secretary of State for External Affairs has communicated earlier today with the Secretary-General of the United Nations and I know he would be happy to respond to any question in the House in regard to details.

Some hon. members: Hear, hear.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, perhaps I could follow up on the statements made by the Prime Minister in regard to that.

In addition to the contacts made with the Secretary-General, we know this morning that the Chairman of the Joint Chiefs of Staff in the United States, General Powell, indicated that there would be no cessation of the bombing until they had completed their program in order to undertake any kind of diplomatic initiative.

Has the Prime Minister or the Secretary of State for External Affairs been in consultation with our allies in this coalition, not just on military matters but to see whether there could be diplomatic initiatives that would secure the withdrawal of Iraq from Kuwait so as to end the loss of life before it becomes too extravagant and to exaggerated and there are far too many people killed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think that the comment to which my hon. friend refers at the head-of-government level came from Prime Minister Major. He indicated a strong disinclination by Her Majesty's government to cease hostilities at this time in the absence of a clear signal from Saddam Hussein. The British, like all of us, fear

that he would use that time to regroup and to mount an assault against allied troops. That we will not have.

But if there were a clear signal from him saying that finally, after all this time, he was going to respect the will of the United Nations, then Canada would immediately pursue the call that my colleague made to the Secretary–General of the United Nations earlier today, and energize plans that hopefully would arrest the growth of hostilities and bring them to an end.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, perhaps I could ask the Prime Minister or the secretary of state to qualify that even further.

The Prime Minister says that they are awaiting a signal from Saddam Hussein. In order to have a signal, one has to have an open line of communication. We are wondering if the members of the coalition, including our own country, have maintained diplomatic contact with the Iraqis in order to maintain that line of communication to determine if there is any willingness—

Mr. Crosbie: The CNN.

Mr. Axworthy (Winnipeg South Centre): No, not the CNN. I am not sure that that is the appropriate means for these initiatives to take place.

The fact of the matter is: Are we maintaining those open lines of communication? Have we determined from our allies, particularly the United States which is leading this coalition, whether they are prepared to undertake diplomatic initiatives to secure the withdrawal, which is the stated end, without continuing the conflict and the military action so that we can have an end to this very severe and tragic loss of life?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I think it has been clear for some time that the purpose of the coalition has been to have Saddam Hussein respect the Security Council resolutions and get out of Kuwait.

I think the hon. member and the House would agree that, whatever our expertise, it would be very risky for Parliament to try to make, on the floor of the House of Commons, the kinds of military decisions that the hon. member is talking about.

He is, as I understand it, asking us whether we have suggested, now that a military operation has begun, that we should interpose a pause before there has been a response from Saddam Hussein. If he is not recommending that, I am relieved, because I think the House would understand that that would be a very counter productive policy in the circumstances.

He asks if lines are open. Yes, lines are open. The situation is, as it has been for some time, that the responsibility to respond rests now with Saddam Hussein. I think that the member would agree, and I think most Canadians would agree, that it would be unwise for the rest of the world to act on an assumption that Saddam Hussein would respond any particular way without having heard from him. He is the aggressor. He is the person who can end the aggression. After yesterday, he has extraordinary reason to end that aggression. We hope he will send that signal.

Lines are open both to Canada through the Holy See and to other members of the coalition. We hope he will avail himself of that opportunity. Then, as the Prime Minister has said, certainly Canada would be prepared to move very quickly.

As was clear in my conversations today with Secretary–General Perez de Cuellar, the United Nations is putting itself in a position to be able to respond very quickly.

The House would have wanted me to, as I did, ensure the Secretary–General that Canada would be prepared to co–operate in any way and as expeditiously as possible with further initiatives by the United Nations.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, it has been announced that Canada will be one of a minority of countries among the multinational coalition to place its troops on active combat duty. My party opposed its action yesterday afternoon. We did so last night, and we continue to oppose this action today.

I would suggest to the Prime Minister that, rather than being a symbolic presence for war, why should Canada's role not be to be an effective force for peace?

Some hon. members: Hear, hear.

Ms. McLaughlin: Would the Prime Minister not consider removing Canadian troops from combat duty in the gulf and re–deploying our forces to provide the military

assistance that will be required to deliver humanitarian, medical and food aid to the region?

Some hon. members: Hear, hear.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, with respect, I have difficulty in understanding the argument of my hon. friend.

She indicates that Canada is a symbolic presence for war. Canada is not a symbolic presence for war. Canada has a real presence designed to enforce the reality of the United Nations. We believe the United Nations is the only international body that can procure a durable peace. That has been a consistent policy of the House for over 40 years and we plan to respect it. With regard to the symbolism of the G-7 nations, Canada has the fourth largest deployment of forces in the region of the entire G-7. That is because we believe that strongly in the United Nations.

• (1430)

We believe, reluctantly but of necessity, along with the rest of the industrialized world and apparently most other people in the world who believe in freedom and liberty, that the cause of liberty and the cause of freedom is best served, given the absolute intransigence of Saddam Hussein, by the actions taken to enforce the will of the United Nations yesterday.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I agree finally with the Prime Minister on one item, and that is, that the United Nations should be the force for enforcing and finding an enduring peace—

Some hon. members: Hear, hear.

Ms. McLaughlin: —and I believe it can be as long as it does not operate solely on the old world order and does truly become a new world order.

I would like to pursue further the point that I made earlier to the Prime Minister. I have been in contact with a number of international aid organizations today and they all say that there is an urgent need for a number of humanitarian activities which now require military assistance. They require air and sea escort to protect ships bringing medical and other humanitarian aid to the region, to protect refugees in the region and to ensure that food reaches the some four million starving people in the Horn of Africa.

My question to the Prime Minister is this: Will he make our military resources available to accomplish these very important objectives which are also life and death objectives?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, that is precisely what the hospital arrangements of this government deployed yesterday are in the process of doing.

Ms. Mitchell: That's not possible.

Mr. Mulroney: The NDP says no. But we are there to assist allies. We are there to assist all in the area. We are there to respond to the requirements of the Geneva Convention. Surely, that is at least something that the NDP should applaud; that Canada provides hospital facilities to look after the injured or wounded. Surely this is in keeping with our humanitarian traditions.

My hon. friend says—and I think I am quoting her accurately—"The United Nations should be the instrument to enforce the requirements of peace". Indeed. But how do you do it? How do you do it when confronted by a brutal aggressor who refuses to withdraw? You either make speeches or you stand up after a period of time and say enough is enough and the civilized world has said to Saddam Hussein, enough is enough, and you must leave Kuwait.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, when it is a question of whether we take the risk of war or we take the risk of more talking, I would suggest that we should take the risk of more talking.

Some hon. members: Hear, hear.

[*Translation*]

Ms. McLaughlin: My question is directed to the Prime Minister. Although the Prime Minister did say last night that obviously all diplomatic avenues must be explored, it is not too late—quite the contrary—to stop this war, and Canada can and must play a role. Will the Prime Minister use his good offices to work towards peace and instruct our United Nations diplomats to begin the formalities required to convene an international conference on the Middle East?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, again in the preamble of the question of my hon. friend, she makes an interesting statement.

The leader of the NDP says we must take the risk of war or the risk of more talking. But the war began on August 2 when Iraq invaded an innocent neighbour state. It was a declaration of war on an innocent fellow Arab nation. That was what began the war, not anything that the United States, the United Kingdom, France or Senegal or Canada has done. We are in there to protect the peace. Saddam Hussein is responsible for the war.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Mulroney: Now, Mr. Speaker, with respect to the second part of my friend's question, as I just said, the Secretary of State for External Affairs did get in touch with the Secretary-General of the United Nations this morning. He told him that Canada is quite prepared to initiate fresh diplomatic propositions or to devise political action on the four basic elements already transmitted to the Secretary-General last week. As soon as the world gets a clear signal that Saddam Hussein will abide by the provisions of the UN resolution and withdraw from Kuwait, the United Nations would be prepared to respond with the active support of Canada.

[*English*]

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Defence. Canadians will want to know exactly what role Canadian forces are playing in the gulf now, specifically what missions they will be carrying out—both the planes and the ships.

Can the minister tell us what that role is, will be, and exactly what danger it is likely to put our forces in now and in the future.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, as the hon. member is aware, since hostilities commenced, as the January 15 deadline established by the United Nations had passed, the role of Canada's fighter squadron has been that of combat air patrol, the same role that was provided before January 15, before the change in circumstances. That was the responsibility of the Canadian forces last evening. For the near term, I anticipate that to be the role which they will take.

The authorization of sweep and escort for the Canadian fighter squadron does not mean that they will participate in that role, but it means that they are available to the tactical commanders to participate if they can assist in removing Saddam Hussein from Kuwait.

As to our naval task force, it is assembled to provide defensive support and resupply among a group of other nations. The two destroyers are providing, along with vessels of other nations, air defensive support to the combat logistic group. They, as the hon. member and others are aware, would not operate in the very northern tip of the gulf. They would operate in providing resupply at sea in a less hostile area. They, along with the Canadian destroyers and air defence vessels of other nations, are providing the defensive task force or the grouping for those Canadian ships and ships of other nations.

Hon. William Rompkey (Labrador): Mr. Speaker, my supplementary is to the same minister. Will any further Canadian forces be going to the gulf, specifically CF-18s? Have any been requested from other countries? Have any been recommended by the Chief of Defence Staff? Has the government offered any further Canadian forces, specifically CF-18s, to other countries?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the hon. member, I know, is aware that the addition of the six CF-18s, plus the Boeing 707 air refueller into the Persian Gulf area, is part of our air squadron which allows the squadron to now maintain a combat air patrol on a 24-hour, seven-day a week basis. The provision of the Boeing 707 refueller allows for opportunity of refuelling for other nations.

There has not been a request, Mr. Speaker, nor was there a request when we provided the additional aircraft. It was provided on the advice of the Chief of Defence Staff. The answer to the third question is no, there has not been a recommendation to provide more CF-18s. We believe that the 24 that are there with the support staff and supply personnel and form a workable squadron are making a contribution and doing good work.

• (1440)

I can say to the hon. member that if at some time some of those assets or personnel are lost, we are prepared to replace them, and replace them on an ongoing basis.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is directed to the Minister of National Defence. Given the reaction of the Secretary General of the United Nations after hostilities commenced last night, and given the announcement by White House spokesman Marvin Fitzwater that the coalition forces have joined the United States in the liberation of Kuwait, I would like to ask the Minister of National Defence whether the government considers what is going on now in the Persian Gulf a United Nations controlled operation, or does it not?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, part of the answer to the hon. member's question is that the authority for the activity that is taking place now, that of hostility and the use of force to remove Saddam Hussein from Kuwait, falls under the auspices of the United Nations and the authority of the United Nations to the collaborating nations.

As the hon. member would know, Canada has tactical command of assets, materiel and personnel of other nations. That being said, the over-all command of the assets of all the collaborating nations involved in the hostilities in enforcing the UN resolution 678 to remove Saddam Hussein fall under the over-all command of General Norm Schwarzkopf. That being said, we must recognize that when Canada accepts tactical control and command of assets and personnel of other nations, naturally Canada has assigned the tactical control of its assets to the over-all command.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I do thank the minister for his answer to my question. I believe I understand the interpretation.

I would like to ask the minister perhaps in another way, does the Government of Canada intend to ask the Secretary General of the United Nations to invoke the necessary measures in the United Nations charter to make this a UN-controlled operation?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, as the answer to the hon. member's first question dealt with the authority, he knows the only appropriate instrument to my knowledge within the United Nations charter at this time for this event happens to be the military committee. I think he realizes and understands the military committee of the United Nations has been inactive for several years. Because of the cold war, that may change in the future, but it has not changed at this date.

I am sure the hon. member would agree with me that having national command, Canadian command of Canadian men and women and assets in the Persian Gulf, is much better than abdicating the command to a committee.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Prime Minister. Many Canadians, while praying for the safety of our forces in the gulf, deeply believe that this war and Canada's participation in this war is a tragic mistake.

I want to ask the Prime Minister the following question: George Bush said last night that this war would not be another Vietnam. In view of this statement, will the Prime Minister urge Canada's allies, and in particular the United States, not to use nuclear weapons in any circumstances in this war? And will he further urge the United States and our allies to withdraw all nuclear weapons from the area to avoid the possibility of a devastating accident?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the particular hon. member becomes more irresponsible and more outrageous every day. He knows that there has never been any question of the use by the coalition of nuclear weapons in this conflict. He knows that, but he hopes that he might be able to create some fear among Canadians and so he poses that irresponsible question in this House.

Some hon. members: Hear, hear.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my supplementary question is for the same minister. He will surely recognize that if what he says is accurate there should be no nuclear weapons in the theatre of war.

Earlier in Question Period the Prime Minister stated that the Secretary of State for External Affairs will be appearing before the external affairs committee today or tomorrow. We welcome that assurance that he will be before the committee at this very critical time.

I want to ask the minister to confirm the earlier statement of the Prime Minister that he will be appearing before the external affairs committee today or tomorrow and to ask the minister specifically: Will he call for an immediate end to hostilities, for a pause for peace in this tragic war, if indeed the Iraqi offensive

capability has been eliminated and wiped out, as the United States says?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I am not sure that discussion of committee business is in order on the floor of the House in Question Period.

The committee knows that, because I have some responsibilities that arose from developments overnight, I am not able to take part in a committee hearing today. It also knows that I have regularly made myself available and intend to continue to do that.

With regard to the positions that have been put forward by the hon. member, I hope he will, in his questions in committee and in his conduct in this House, remember that his responsibilities as a member of Parliament go beyond using this place as a forum. They extend to accepting some element of responsibility for protecting the reputation and advancing the interests of this country.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Minister of National Defence.

I have considerable concern about his response to my colleague's question about the role of the UN. This government has insisted that our collaboration at this time in the war in the gulf is under UN operation. At this time the UN system is on the knife edge of success or failure.

I would like the minister to clarify for us right now what his statement was. It sounded as if he were saying that Canadian forces under Canadian command, with U.S. tactical over-all command, was better than UN command. Is that so?

Hon. Bill McKnight (Minister of National Defence): No, Mr. Speaker, that is not what I said. I said in this case that there was nothing I was aware of that was available under the UN to command Canadian forces, except the military committee of the United Nations.

• (1450)

As the hon. member and her colleagues know, the military committee of the United Nations has not functioned over the past number of years. I would also suggest to the hon. member that the safety and opportunity for success of that command of Canadian men and women serving Canadian will to reinforce the resolutions of the United Nations is much better under Canadian national command than under the command of a committee.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my supplementary question is for the Prime Minister.

It is quite disturbing to try to understand what this government's commitment is to the United Nations. I believe that war must be always seen as failure. Conflict resolved by war is not a recipe for peace. Canada has traditionally played a role as peacekeeper, yet at the present time we find ourselves as combatants in the present crisis.

Can the Prime Minister tell us if there is active planning at this time for Canada to play a future peacekeeping role at the United Nations?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Secretary of State for External Affairs discussed that point specifically with the Secretary-General of the United Nations earlier today. The Secretary-General of the UN was, as has already been reported to the House, particularly gratified by not only Canada's support but Canada's interest in putting forward some innovative ideas to try to be helpful.

My hon. friend raises a very perplexing question. She says that it is troubling to understand our commitment to the United Nations. What could be clearer than the commitment of this government and this House to the United Nations, when the United Nations at the moment of its greatest challenge invited as a result of a Security Council resolution all members to come to the aid of the United Nations? They sent out an appeal for aid to the United Nations to sustain the United Nations at the moment of its greatest challenge. Canada heard the appeal and Canada responded in the manner that I indicated last night.

Perhaps I may just very briefly respond to the important question raised by my friend and by some of her colleagues in regard to the United Nations in earlier circumstances and the command structures. Since there seems to be some people who take offence at the involvement of an ally, the United States, in these matters, I refer my hon. friend to a statement made by Prime Minister St. Laurent in this House in regard to Korea and the command structure there. He said on September 1, 1950: "They (the Americans) were the only

ground troops available to render immediate assistance to the arms of the South Koreans themselves", and I think it is important to underline this. Mr. St. Laurent said: "they have done it in such a magnificent and heroic manner that it makes it, I think, all the more encouraging for other members of the United Nations to follow under their leadership". That is what Mr. St. Laurent said.

Mrs. Campbell (South West Nova): The UN flag.

Mr. Mulroney: The UN flag. Mr. Pearson said in regard to the United Nations command: "We know of course that the most important member of the United Nations in this particular matter is the United States. It is the country best able to intervene in this matter as an agent of the United Nations and it has already acted effectively".

That was Mr. Pearson's position. That was Mr. St. Laurent's position, and that is the position of the Government of Canada.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Since the long-range goal for the gulf region must be peace and stability, it is essential, even in war, to prepare an environment which can produce that peace and stability after the conflict.

Consequently, I want to ask the minister: What is the government doing to minimize attacks on civilians and the destruction of civilian targets? Has the minister conveyed this view to the United States and to other allies in the coalition?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, if I may make two quick comments in response, one is that again I think that while it is perfectly appropriate for us to debate the consequences of some of these matters in a House like this, none of us would pretend to be military commanders. Decisions have to be taken as to the most effective way in which an end can be brought most quickly to an aggression.

Second, I would remind the member and the House that the victims of this aggression in Kuwait were very clearly civilians. They still are. I laid upon the table of the House yesterday a report of Amnesty International, now old, which is to say that it has not caught up to date with some of the continuing atrocities involved with the occupation by Iraq of Kuwait.

I certainly agree with the member. We must do everything we can to bring this to an end as quickly as possible. That means a very effective military action. That has begun. It also means that the world must be ready very quickly to move to re-establishing a peace when that opportunity arises. It was precisely that that I discussed with the Secretary-General of the United Nations when I called him earlier today.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I did not find the minister's answer very assuring. Two wrongs don't make a right. I hope that everything possible will be done to minimize the killing of civilians and the attacks on civilian centres.

[*Translation*]

Mr. Speaker, considering our hopes for a speedy end to this unfortunate war, is the government, together with the United Nations, prepared to initiate a plan for peace for this area, a plan that will guarantee development and justice for these peoples once the war is over?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, it is not quite clear whether the hon. member is referring to the gulf area. That is the area we are talking about? Fine.

Yes, we are prepared to consider ways to ensure peace and provide a basis for prosperity, if these countries are willing to support a more democratic system of government in the area. I think everyone will understand that after the war, this area will undergo profound changes, whatever the nature of the resolution may be. In future it will no longer be possible to maintain the kind of regime that existed in certain countries in the gulf. Canada is prepared to play an active role in bringing about those changes.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, my question is directed to the Prime Minister. Yesterday in the House, the hon. member for Abitibi spoke eloquently about a demonstration in Val d'Or for peace in the Persian Gulf. This demonstration attracted over 500 participants, including Quebecers represented by this Conservative member, people who are against war and against this one.

Will the Prime Minister listen to his own members from Quebec? Will he announce in this House today that the Canadian Armed Forces will take no part in offensive actions in the gulf?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the hon. member knows perfectly well that last night the government announced an international policy consistent with the actions initiated last August and September by this government. I believe that last night the Leader of the Opposition indicated that his party intended to support the government in this respect, considering the turn of events.

The hon. member mentioned the position taken by a member for Quebec. There is a wide range of views in Quebec. We find them in my own riding and in the hon. member's riding, and they are all valid. Someone mentioned 58 per cent of Quebecers are against war. I think that ought to be 100 per cent. Personally, I am against war, and I think we all are.

Some hon. members: Hear, hear.

Mr. Mulroney: However, there comes a time when we must stand and defend the interests of the United Nations. In doing so, we are defending the interests of lasting peace in the world. Since you mentioned one Quebecer who is against the war, I will mention another one who supported the government yesterday, Premier Bourassa.

Mr. Speaker: The hon. member for Chambly, for a very short supplementary.

• (1500)

Mr. Phillip Edmonston (Chambly): A supplementary, Mr. Speaker. One sure thing is that the Prime Minister knows there is a number of alternatives. His member for Abitibi knows there is a number of alternatives. As a former service man I know we have several alternatives other than war, and war with the active participation of Canada in offensive manoeuvres. Here is my question to the Prime Minister: Why would the Prime Minister always insist on an offensive role for Canada when our traditions call instead for a humanitarian role in such conflicts.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, on August 2 last there was an act of aggression against Kuwait on the part of Iraq. This was a declaration of war by one Arab state against another. Canada joined the other members of the United Nations in deploring this initiative and attempting by every peaceful means to find an acceptable settlement of the conflict. Despite all attempts, despite all efforts made by Canada and a number of other countries, they were all unhesitantly rejected by the President of Iraq. Following a United Nations decision setting the deadline for last January 15, the countries that defend the interests of the United Nations decided to act in the interest of peace, of freedom and of human dignity which is being vilified by troops under the command of Saddam Hussein. Canada is there, not to play an aggressive role but to uphold the basic interests of the United Nations because the government believes that without the United Nations there will be no lasting peace in the world. That is why we are defending the interests of the United Nations.

Some hon. members: Hear, hear.

[*English*]

Mr. Speaker: I notice that the hon. Leader of the Opposition is seeking the floor, but I must advise the House that it is after three o'clock.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I think the Prime Minister would not want to mislead the House, and truth ought not to be the first victim of the war but—

Mr. Speaker: Is the Leader of the Opposition rising on a point of order?

Mr. Chrétien: Yes, Mr. Speaker.

Mr. Speaker: On a point of order, the hon. the Leader of the Opposition.

* * *

POINT OF ORDER

STATEMENT MADE BY RIGHT HON. LOUIS ST. LAURENT ON JUNE 30, 1950

Hon. Jean Chrétien (Leader of the Opposition): On a point of order, Mr. Speaker. I want to point out to the Prime Minister that on June 30, 1950, Prime Minister St. Laurent said in this House, and I quote: "It would be our part in collective police action under the control and authority of the United Nations for the purpose of restoring peace to the area where an aggression has occurred"—I repeat: "— our part. . .under the control and authority of the United Nations."—That is not the case at the present time.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, Prime Minister St. Laurent may have said that in June. I have no problem with that. But, on September 1, 1950, he said this—

Some hon. members: Hear, hear.

Mr. Mulroney: He made the following statement to this House on September 1, 1950:

[*English*]

> They (the Americans) were the only ground troops available to render immediate assistance to the arms of the South Koreans themselves, and they have done it in such a magnificent and heroic manner that it makes it, I think, all the more encouraging for other members of the United Nations to follow under their leadership.

That is what he said on September 1, 1950.

Some hon. members: Hear, hear.

Mr. Chrétien: Mr. Speaker, we are debating a very important point here.

Some hon. members: Oh, oh.

Mr. Chrétien: The Prime Minister is trying to imply that when the Canadian troops participated in the war in—

Some hon. members: Oh, oh.

Mr. Speaker: I have to say to hon. members that I have no authority to allow this to move into a debate.

Before asking hon. members to deal with the usual Thursday question, I understand the hon. member for Nepean is seeking the floor.

* * *

POINT OF ORDER

ARAB CANADIANS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I rise on a point of order. I have unanimous consent to propose a motion to be put forward without debate or amendment.

The motion is moved by myself and seconded by the members for Vancouver East and Pierrefonds—Dollard. It reads as follows:

> That this House continue to have confidence in the loyalty of Arab Canadians and in their support of Canada at this time of global crisis; and
>
> That this House condemns unequivocally any attempt to portray these communities as less than full members of Canadian society.

Some hon. members: Hear, hear.

Mr. Speaker: Does the hon. member have unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I wonder if we could have from the government at this time any indication as to what it intends to call this afternoon, tomorrow, Monday and possibly Tuesday of next week?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this afternoon we will continue with the motion under debate.

In terms of the rest of this week, next week, and beyond, as usual I would not think of making proposals to the House until I have had conversations with my counterparts opposite that we usually have. I hope we can have those conversations very shortly.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, on a supplementary to the point of order of the House leader, I tried to get your eye in the latter part of Question Period, but I understand the problems thereto.

Uncontaminated by House leaders' meetings, I would like to have asked during Question Period what the government House leader's thoughts are in bringing to a conclusion this most redundant debate that we are presently involved in.

In view of the hostilities last night, should we not have a vote to see who is on the side of the United Nations and who is not, so that we can then get on with other government business?

Some hon. members: Hear, hear.

Mr. Andre: As usual, the hon. member has the substance of the real question concerning further business. We have been debating this motion for some time now. It is a replication of two resolutions already passed last October and November. It is appropriate that it be brought to completion as soon as possible.

• (1510)

We usually do this during House leaders' discussions, but I will certainly involve the independent members in the discussions to find some way of bringing about a resolution. Appropriately, that should be sooner rather than later.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, this morning the government House leader made a commitment to the effect that we would be advised about the briefings. Perhaps I should raise this as a question of privilege, Mr. Speaker, because I was not so advised. I am told there were briefings for many members, Mr. Speaker, but as I speak I can tell you that I was not given access to the same information. I deeply regret that.

[*English*]

Mr. Speaker: I know the matter was raised before. If the hon. member wants to raise it as a question of privilege, I, of course, have not had notice. The hon. government House leader may wish to respond.

Mr. Andre: Mr. Speaker, I will respond very quickly. I have had assurances from the Minister of National Defence that he, and/or his officials would be in contact with the hon. member as soon as possible. If that has not happened, it is because, understandably, other things are going on. I can assure the hon. member and other independent members that the briefings will be offered very soon.

Miss Deborah Grey (Beaver River): Mr. Speaker, my office was notified about 12.35 p.m. that, as an independent member, I was to report to Room 253-D for a briefing from defence officials at 12.45. So I put on my coat, went over to that room and walked in on the NDP caucus. Obviously, there was a problem.

We may treat this lightly, but I believe that we, as independent members, have every right to be notified by the Minister of National Defence's office. I made requests of somebody in that meeting, and I was told that if I wanted to book a room, all the independents would be able to get a briefing.

Mr. Speaker, you can appreciate that it is not my responsibility to get hold of all the other independent members. If somebody was not available, then I could be accused and criticized of keeping them out of it. I believe that the Minister of National Defence's office should have phoned me back immediately. In fact, all the other independent members with whom I checked, many of their offices had not been contacted. This is not adequate.

On behalf of the independents, I would like to say that we would appreciate hearing as soon as possible from the Minister of Defence's office so that we can be informed as quickly and clearly as possible. It is simply not acceptable to be cut off.

Mr. Speaker: I appreciate the hon. member's intervention. I must say to the House that this is getting beyond something that be can necessarily be settled across the floor of the House. The hon. Minister of Defence is seeking the floor. I will, of course, recognize him.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I will be brief.

I do apologize to the hon. member for Beaver River. As soon as we had the opportunity to provide briefers, we informed her. Unfortunately, the briefing before hers was for the New Democratic Party. They kept the room to caucus in. We apologize. We will arrange a briefing as quickly as possible.

We also attempted to contact all other independent members. When we phoned several of the independent members from the province of Quebec we reached an answering machine. If they would check their answering machines, I am sure they will find that notification.

Mr. Nowlan: Mr. Speaker, I fully support the comments of the hon. member for Beaver River. We are in difficult times, unusual times, so I am not casting stones. There is not an answering service in my office but we got the call at 1.28 p.m. or whatever.

GOVERNMENT ORDERS

[*English*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed consideration of the motion of Mr. Clark (Yellowhead), (p. 16984) and the motion of Mrs. Collins (p. 17150).

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, it is a privilege to be taking part in this debate at this very important time.

I would like to point out that since my election in 1980 as the member of Parliament for Athabasca I have often found myself visiting the Memorial Chamber in the Peace Tower. I have very seldom looked at the Korean *Book of Remembrance* and I was unable to recognize the name of someone now buried in the UN cemetery in Pusan in Korea. These were Canadians who took part in an earlier UN action, the Korean war.

Some of us, as young men, joined the special force for Korea because we wanted adventure and because we were too young to participate in the Second World War. We really thought that we had missed something. But my experience was that, very soon after arriving in South Korea, this feeling of adventurism disappeared when we saw the poverty and the homeless Korean people, men, women, and children, refugees in their own country. Many were homeless and living by the roadside, but they expressed in many ways their sincere appreciation for our being there. Sometimes they offered to share their meagre possessions, perhaps an egg or an apple. That touched us deeply.

But the most important thing going for the troops in Korea at the time was the support we received from Canadians, letters, parcels, visits to the theatre by members of Parliament, visits by the defence minister of the day, and newspapers from home expressing praise in our efforts. There was unanimous support.

The feeling of adventurism changed to one of real pride and the realization that we were there to preserve world security and world peace as a member of the United Nations. We all seemed to walk a little taller and with a great deal of pride.

We fought alongside other forces from other countries with that multinational United Nations group. We fought alongside British regiments, Australian regiments, New Zealand artillery, the Turk regiments, American marines, American cavalry, Scottish regiments, Irish regiments, Welsh regiments, and the Korean regiments themselves.

I am absolutely convinced that if we had not had the 100 per cent support of our government and if we had not had the 100 per cent support of Canadians from coast to coast, this pride I talked about would not have developed. Our schools, our hometowns, and our families were all supporting us and expressing pride in what we were doing with the special force under United Nations sanction in Korea.

Today we have become involved in a United Nations sanctioned war in the Middle East together with a multinational force, over 30 of our allies. Madam Speaker, can you imagine for a moment—and I would ask all members in this House to imagine for one moment—how our troops will feel if there is continued division in this House of Commons? Can you imagine how families of the men and women of our Armed Forces in the gulf will feel if we do not leave this debate with less than the 100 per cent support of the House of Commons?

We must leave this debate with constructive, non-partisan, 100 per cent support. We must give total support, without reservation of any kind, to Canada. We must make sure our troops have the very best support and equipment possible. We must leave no question whatsoever in the minds of our forces that we stand 100 per cent with them.

• (1520)

I urge—indeed, I plead—with all members of the House to end this debate. Put partisanship behind us, regardless of our differences, and give 100 per cent support to our government and to our country, Canada.

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I would like to comment and pose a question of my colleague.

Certainly, I would like to remind my colleagues that three decades and three years ago, when accepting the Nobel Prize for Peace, Mr. Lester B. Pearson, one of our greatest Prime Ministers, said: "The grim fact is we prepare for war like precocious giants and for peace like retarded pygmies." Sadly, Mr. Pearson's words ring true today as this government has chosen war to end the illegal occupation of Kuwait by Iraq.

There is no question that the House and all Canadians have condemned the invasion of Kuwait by Iraq. There is no question that the United Nations has condemned this invasion as well and we have supported the United Nations resolutions. But I would like to remind the House that the United Nations resolutions have given us two broad options: the peaceful approach to peace and the war approach to peace. Now that we are at war, let us not forget that peace is still obtainable through methods

other than purely military. I would like to underline "other than purely military".

Therefore, Canada must continue to explore peaceful methods of diplomacy and cease-fire to hasten the withdrawal of Iraq from Kuwait. Let us keep all the channels of diplomacy open.

Would the hon. member agree to suggest to his government that the Security Council of the United Nations must be revisited to ensure a new order of world peace that is durable and secure for all generations to come? That is my first question, Madam Speaker.

Madam Deputy Speaker: I apologize for stopping the hon. member, but this is only a five-minute period of question and comments. The hon. member has made a very thoughtful comment and has already asked a question. Perhaps we should allow the hon. member to answer his question.

Mr. Shields: Madam Speaker, I do not believe for one moment that all members of the multinational force under the United Nations are not seeking through the United Nations and making every effort possible to put an end to the war that is there.

I would remind my hon. friend that the Korean war started out as a peacekeeping mission. It was a function of peacekeeping. One country—North Korea—had invaded another country—South Korea. A peacekeeping force was called a peacekeeping action at the time.

I am suggesting that this is absolutely not any different. It is a peacekeeping action. It is one to restore peace and stability in the Middle East. It is one to maintain collective security in the world and we are functioning under the United Nations to do exactly that.

Of course, the countries contained in the multinational UN force at the present time are making every effort to see that this is brought together in the quickest time possible.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I am very interested in the comments of the hon. member. I know that he had personal experience with the Canadian Armed Forces and the Commonwealth forces in Korea, where I also served but as a civilian. I well recall the many Canadian boys who came into hospital with legs chopped off and many other terrible things that happened.

I revisited Korea, as I am sure he did, on the 35th anniversary. The thing that hit me going back was the question of what was achieved in that war? That is what I want to ask him.

There were hundreds of people killed—thousands if we look at all the Koreans. We had terrible situations with refugees. A whole generation of children had their lives put in terrible risk. Yet, now, if we go back to Korea, the people are sitting exactly on the demilitarized zone, almost at the spot where they started. There is still a military presence there. This was a civil war that we intervened in.

I would like the hon. member to explain to me, for goodness sakes, what was the value of that war? What was achieved, aside from devastation and death?

Mr. Shields: Madam Speaker, I would like to very humbly correct my hon. friend. After the Second World War, Korea was divided into North and South Korea. It was two countries: one country under the communist domination, and the other one under western domination. It was not a civil war in the sense that she would portray it.

What we had was exactly the same case. We had one country, North Korea, invading another country, South Korea.

What was achieved? I would suggest that North Korea was pushed back, after the Chinese entered the conflagration, to exactly the line that was drawn after the Second World War, the 38th parallel. North Korea now exists under communist domination and dictatorship.

South Korea has gone very far in the democratic process. It has an elected democratic assembly. We see it is now prosperous. I think the people in South Korea were very appreciative—and still are appreciative when I visit South Korea—of the contribution that was made by the United Nations forces, and particularly Canadians.

Mr. Bob Hicks (Scarborough East): Madam Speaker, two days ago I sat down and prepared a 20-minute speech to make on this occasion. I was then ask to amend it and make it into a 10-minute speech.

Before I could make that speech, war broke out, so I thought I would have to make another speech. But I looked this one over and really there is no difference. There is no difference between what I was going to say two days ago or yesterday and what I want to say now. The reasons have not changed. The reasons are the same, I feel, for us being where we are and engaged in this war. I would like to share some of those reasons with members of the House.

Most countries in the world hold to the concept that taking territory by conquest is unacceptable international behaviour. Most states operate by the principle that smaller independent neighbours have the right to exist. Most states also abhor the use or even the manufacture of chemical weapons. A great number of the world's nations, a growing number in the past two years, are dedicated to democracy, a free market economy, and the human rights for their citizens.

Then, there are the Saddam Husseins. The Saddam Husseins of this world are the bloody tyrants at home who cling to power through the use of terror and torture and are ruthless bullies and marauders among their weaker neighbours.

Last year at this time, the world appeared to be poised on the threshold of a new and promising era when we could finally say that the cold war had ended. Saddam Hussein brought myself and a lot of other people back to a hard, grim reality that this world remains a dangerous and volatile place, where petty dictators armed to the teeth with sophisticated conventional weapons and weapons of mass destruction pose a serious threat to their immediate neighbours, and more and more to the world in general.

There is no doubt in my mind that the world is at a crossroads. Either we quickly and decisively continue to co-ordinate our response to these increasingly dangerous breaches of international peace, or we stand back and allow regional dictators to establish and abide by their own rules.

Since August 2, Saddam Hussein has had 135 days to withdraw from Kuwait. He used that time to take hostages; pillage Kuwait; violate the people of Kuwait; threaten Israel, Saudi Arabia and any other country which condemned the invasion; and built up his military forces in Kuwait and Iraq.

Let me dwell for a moment on what Saddam Hussein has done in what he now calls Iraq's nineteenth province. Reports coming out of Kuwait and from refugees and departing hostages indicate that the invasion was followed by widespread looting, rape, and murder. Amnesty International estimates that 7,000 people may have been killed and that another 20,000 are missing. After crushing all but minor pockets of resistance, Iraqi forces began systematically dismantling Kuwait and removing equipment, food, luxury goods, captured weapons, et cetera, back to Iraq.

• (1530)

Eyewitness accounts of the conditions of detainees taken into Iraqi custody and later released also suggest the widespread use of torture. Scores of detainees are reported to have simply disappeared. The rape of Kuwait is all the evidence I need that we are dealing here with much larger issues than protecting oil supplies for the west or blindly going along with the Americans to help protect U.S. strategic interests in the gulf.

It is nonsense and intellectually dishonest for anyone to suggest that this is some sort of American adventure or some manifestation of U.S. imperialism. The British, Egyptians, the French, Syrians, the Dutch, Qataris, Australians, Pakistanis, Saudis, Soviets, Argentinians, Bangladeshis and forces from about 20 other nations are actively contributing to the international effort to get Iraq out of Kuwait.

The multinational response undertaken last evening underscores that the gulf crisis is much more than a threat against the security of nations of the west. Certainly, it is this, to be sure. But it is also a threat against moderate Muslim regimes across the Middle East and North Africa as well as to Israel, western Europe, eastern Europe, the Soviet Union, the United States and even Canada. Above all, it is a threat to the poorest nations of the world, which are much more dependent on gulf oil than the United States and much more vulnerable to hostile actions by their larger neighbours than are the wealthy industrialized nations.

Over the years, Canadian soldiers have justifiably won a tremendous reputation as peacekeepers. But there is more than this to being a supporter of the principles of the UN. There are occasions when to be a good peacekeeper, one must be a peacemaker. This is what I hope and pray is taking place right now.

It is clear what Canadian forces are doing in the Persian Gulf. As of yesterday evening, we are helping "to maintain international peace and security", as outlined in Article I of the UN charter, by preventing further aggression by Saddam Hussein. As of yesterday evening, because of the intransigence of Saddam Hussein, we are in a position to fulfil the other facets of the first principle, which is "to take effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace".

Critics have argued that taking action against Saddam Hussein is a cynical double standard and that the world in general and the west in particular have not seen fit to respond to acts of aggression and breaches of the peace and international law in the past. Are they saying we should do nothing now? Should we not seize opportunities to uphold international peace, security and law when possible? If not, when? If not Canada, our allies and others who believe in international order, then who will be left to maintain the peace on these occasions?

I have never doubted that in the end, if Saddam did not back down, Canadians would be there to play their part. I for one know that the Canadian men and women in the forces in the gulf will do their jobs well and with courage when they are called upon to fight. Diplomatic moves were attempted in an effort to resolve this crisis. Unfortunately, they were rebuffed by Saddam Hussein. Saddam Hussein must not profit from aggression and he must not be seen to profit from aggression.

We are unfortunately forced to use all necessary means, as resolution 678 states, to implement the will of the international community. We know that Saddam Hussein did not back down. I think it would be unconscionable now to allow such a dictator, who is armed with more than 5,000 main battle tanks, modern fighter aircraft, artillery, ballistic missiles, chemical weapons and a one-million-man army and who has a track record of aggression, brutality and terrorism both at home and abroad, off the hook now.

The multinational UN force simply had no choice. Saddam Hussein has shown a willingness to use force to grab territory, to intimidate his neighbours, to attack his own people and his enemies with mustard gas and cyanide and to blackmail every nation in the region within range of Iraqi missiles.

What we know is that Saddam Hussein must be stopped. We know there is no chance of peace in the Middle East if every well-armed dictator is given a free hand to satisfy his territorial, economic or political ambitions or to coerce and intimidate their militarily weaker neighbours. We also know that if Saddam is not wholly checked now, then Iraq will go on increasing its military capabilities and developing chemical and nuclear weapons to be used against any rival or soft target, even against his own people.

Kuwait sustained and supported ordinary Palestinians on the West Bank when poorer Jordan decided it could no longer afford to do so. This support has inevitably ended since Iraq's invasion. Iraq's petro dollars have not been going to keep Palestinians alive; they have been going into Saddam Hussein's war machine.

At the same time, Saddam Hussein has done all in his power to avoid coming up with any reasonable initiatives to settle the Middle East problem once and for all. Saddam's policy has been to milk the plight of the Palestinians for what it was worth to him; nothing more. This is the enemy the international community faces and under which the Iraqi people themselves have lived for 22 years. This is the enemy the world is confronting and whom the Canadian men and women in our forces in the gulf, along with the other members of the international community who have rallied against Saddam Hussein, must confront.

Madam Speaker, they must not fail. We in this House must be very careful also not to fail them.

Madam Deputy Speaker: Questions and comments.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, it seems to me there is a flagrant inconsistency in the hon. member's presentation.

[*English*]

The inconsistency in his position is as follows: He did address the issue of not having acted before when there was aggression toward another neighbour. But why did we not intervene when the Russians went into Afghanistan? Why did we not intervene when the Chinese went into Tibet? Is it not because clearly they are giants in the

world? Consequently there is not a great deal we feel we could have done. Or if we had chosen to do something, we would have been really up to our necks in very great difficulty.

With respect to arms of destruction, why is it that we are not going after the U.S.S.R., China, Japan, France, Israel, South Africa, Libya or Syria? They have arms of massive destruction and they are not all countries we consider our allies.

I would like to focus on what we should do now that we are in this conflict. Will my hon. colleague tell me whether or not he believes his government's priority will be to find a peaceful solution to this particular war now? Surely this has to be our focus today, tomorrow and until we find that solution.

Mr. Hicks: Madam Speaker, I thank my hon. colleague across the floor for his question. As I have thought many times, all of us in this House attack this one problem from many different angles, but really everyone in this House wants precisely the same thing.

Getting to the point he asked regarding whether or not we are going to make a proposal, we have been proposing peace for 135 days. Not only Canadians and not only our Secretary of State for External Affairs, but also the Americans and, as you know, the Secretary General of the United Nations as recently as two days ago have done everything over the last 135 days. But all it did was prove that there was no possibility of resolving this matter by peaceful negotiations.

An hon. member: What about when the conflict began?

• (1540)

Mr. Hicks: Madam Speaker, my hon. friend asks what about when the conflict began. To the best of my knowledge, attempts to resolve it were begun immediately. He also made reference to the other countries that have all these destructive weapons. He made reference to the Soviet Union, which has all these destructive weapons.

What the hon. member did was to show to the House and to everybody a good example of where peaceful negotiations did work. The reason we are sitting down with the Soviets and the reason some of us can go to Moscow and sit and talk to the Soviet minister of national defence is that negotiations have worked. The Berlin wall is down. All of the other countries with the massive weapons of destruction to which he alludes have those weapons, but they did not use them in the way Saddam Hussein decided to use his.

I do not know whether I have addressed all the questions of the hon. member, Madam Speaker, but I have tried.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I listened with a great deal of interest to the hon. member. Although his speech was prepared a couple of days ago, he felt it was still relevant today. At that very time, over 100 students from the high schools in my riding were in my office writing letters to the Prime Minister and to the hon. member's government. I have just two of the 100 letters here from which I would like to read a couple of lines. Then I will put the question.

Becky Bourque writes:

> We are about 100 of B.C.'s youth. We—I personally would like to live my life to its fullest, not having to worry about war or having to bury 3 of my family members that are in Saudi Arabia right now.

There is a second letter to Mr. Mulroney:

> We have spent the last 2 days protesting the war in front of Municipal hall. Around 400 people walked out of school and walked 6 miles into town to say what we had to say. Unfortunately so far it has not done any real help. We are the youth of this world and we will be the ones to live with your mistakes. Please don't make us have to live with this one.

It takes courage to stand up for peace like that when you are a student.

We have had some incredible reports on the results of the first strikes that took place. For example, the surface-to-surface missile threat to Israel has been successfully eliminated, they believe. The Iraqi nuclear, chemical and biological production complexes are expected to have been damaged or destroyed. Virtually the entire Iraqi air defence system seems to have been successfully disrupted.

My question is: With those pieces of information, would it not seem to make sense to take this as now being an opportunity to move for peace and to ask Mr. Hussein to consider peace, instead of beating this into the ground to the point where there is absolutely nothing

left in terms of the individual people? I am not concerned about Mr. Hussein, but I am certainly concerned about the men and women who live there.

Mr. Hicks: Madam Speaker, I thank the hon. member for her comments and her questions. As I said, we all want the same thing. We are going about it in different ways.

The question she just posed was whether it would be better for us to seek peace with Saddam Hussein. Who phoned Saddam Hussein the day before the attack? President Bush spoke to him personally, according to reports in the press yesterday. He phoned in a last-ditch attempt to plead with him to attempt to come to a peaceful solution. I think we all want peace, and I think everyone has done everything possible. She talks about—

Madam Deputy Speaker: Unfortunately I will have to interrupt the hon. member, as the period for questions and comments has now expired.

[*Translation*]

At this time, pursuant to Standing Order 38, I might advise the House about the questions to be raised tonight at the time of adjournment: the hon. member for Winnipeg Transcona—Lithuania; the hon. member for Winnipeg—St. James—Justice; and the hon. member for Hamilton East—Energy.

[*English*]

Resuming debate, the hon. member for Victoria.

Mr. John Brewin (Victoria): Madam Speaker, before I get to the main burden of my remarks, I would just like to take this opportunity to set the record straight in respect of the views and contribution of one of the most respected members ever to have served in this Parliament, the Hon. Stanley Knowles who presently serves as an honorary officer of this House, regarding the issue.

The Prime Minister seems incapable of avoiding partisanship, even at these moments. In his effort the other day to try to bolster his case he quoted first from past Liberal Prime Ministers in order to suggest that they would have supported the government's policy in this respect. Then he went on to quote Mr. Knowles from June 1950. He said, among other things of Mr. Knowles' views, the following, as reported at page 16990 of *Hansard*:

> Mr. Knowles went on to say that "the government has the concurrence of all of the groups in this House in its readiness to support the action", the military action as it then was, "taken by the United Nations. That is clearly our obligation and that way alone lies hope".

Then he proceeded to quote Mr. Knowles further from June 1950 and his comments in respect of the Korean crisis.

The clear implication of the Prime Minister's statement is that Mr. Knowles and the CCF at that point supported the military action and would have supported the military action today.

He added words in the course of his statement that Mr. Knowles never used, namely the words "the military action as it then was". I say that is a mark of complete disrespect to Mr. Knowles. I think the Prime Minister owes Mr. Knowles and this House an apology.

Some hon. members: Hear, hear.

Mr. Brewin: I should say that through a family connection Mr. Knowles is quite close to me personally. In fact he married my wife and myself in his capacity as a clergyman. I feel very close to him. He phoned me the other day and commented on this issue. He asked me to convey to our caucus and to the House his deep feeling that this war in the gulf was wrong and that this House should oppose the war.

The Prime Minister compounded his error not only by misquoting Mr. Knowles in 1950 but using Mr. Knowles, who is not able to speak for himself in this House, to buttress his argument when in fact Mr. Knowles continues to be a passionate spokesperson for peace.

I rise to put our party's position on the floor of this House today, the first day after hostilities have finally broken out in the gulf. My feeling last night—and I am sure it is shared by all Canadians and I know by all members of this House—was that somehow we had failed, that war is failure. This war, in particular coming as it does at the end of a century that has seen the most devastating wars in the history of humanity, is a war that simply should not have happened. This war is a terrible, serious and tragic mistake.

Mr. Crosbie: Speak to Saddam Hussein.

Mr. Brewin: The Minister for International Trade rises and says: "Speak to Saddam Hussein". Whatever one's views as to how we got here and how we are getting out

of here, the fact is that the war is a terrible mistake. The question before us now—

An hon. member: You know why it is.

Madam Deputy Speaker: The hon. member deserves the courtesy of being heard and listened to.

Mr. Brewin: Madam Speaker, one would think in the seriousness of the issue before this House, that the minister could give all members an opportunity to put their views on the table.

• (1550)

I have not attacked the personal views of the members opposite. I have simply said that this war was a tragic mistake. That is a view which I say is shared by all Canadians. It is a view that I think causes us all to approach the issues in front of us, I would hope, with a sense of sombre contemplation.

The issue before us now is simply: What are we going to do with it? The war has started. It is a terrible and tragic war. The question now is: What can Canada's contribution be to bring this war to a swift conclusion? What can we do to prepare for the day when the war and hostilities end in the Middle East?

We have four basic positions to put to the House. I say, before I launch on the four points, that in our view the war is a mistake and wrong. This view we held before the war began and it is a view we hold now. We oppose this war and we oppose Canadian participation in the war.

The first thing the government and this House should consider is a peace initiative. Clearly Canada is not the centre of the universe. Canada, acting alone, cannot change history and cannot ensure peace. However, Canada is a respected member of the United Nations, has contacts throughout the world, and can begin to work with all other countries of the world which share the objective that this war must be brought to an end quickly to try to explore any possible avenues for peace.

The American generals tell us that last night's raid on Iraq and Kuwait devastated the Iraqi air force and Iraq's capacity to engage in offensive action. If that is correct, now is the time to take at least a brief pause and see if there is a possibility of getting a response from Saddam Hussein. It is clear that Saddam Hussein did not respond to the threat of war. It is a major miscalculation, I may say, by the Government of the United States and the Government of Canada among others.

There is no doubt in my mind that the Government of Canada initially supported the build-up of troops because it believed mistakenly that that threat would cause Saddam Hussein to back away. The alternative response of preparing the world to accept long-run sanctions was really never given a chance as the governments of the world believed that the threat of force would have the desired effect on Saddam Hussein. That did not happen, and Iraq has now lived through 24 hours of bombing from the United States and the other countries in the region.

The time then comes to say whether the opportunity should be given to Iraq, perhaps through the agency of other Arab countries, perhaps through the agency of such countries as even Canada, to give some indication of the conditions under which it would withdraw from Kuwait and satisfy the objectives of the United Nations. That is the first initiative that should be taken.

Second, Canada must begin to prepare to provide humanitarian assistance to the victims of war in the region, to the victims of this crisis in the region. This humanitarian assistance may be required during the period of hostilities, or it may be required when hostilities are over. But the world is going to have to prepare for the eventuality of dealing with the victims of this war.

There are already migrant workers trapped in Iraq. There are refugees in Jordan. The people of the Horn of Africa are suffering a completely unrelated famine and because of the war, relief supplies are unable to get through. We have heard reports from various relief agencies that they simply cannot get the shipping through to bring relief to the starving millions of the Horn of Africa. It is the responsibility of this government and of the people of Canada, as well as other governments, to seek ways to get that relief through.

Third, it is important that we plan generally for the aftermath in the region. This war must end some day, hopefully sooner rather than later. The issue then becomes what happens? How will the area be governed? How will the area be policed? Clearly it is going to be important, in repairing the terrible damage in human, environmental and geopolitical terms that this war has created, to be able to have governments and other agencies move in quickly and in a planned way to provide the necessary relief and to begin to clean up the damage,

either directly under the United Nations or perhaps through other agencies and other organizations.

It ought to be possible to bring in engineers to deal with the damage: rebuilding highways, bridges, damaged buildings, water systems, and sewer systems. It ought to be possible and we ought to be ready to move in quickly with medical supplies and services to deal with the injuries and disease that will occur in the region. Simple food, water, shelter and supplies will be necessary, and Canada should begin today to plan for that.

We had a briefing this morning from Department of National Defence officials who had to confess to us that this was not the major issue on their minds at this stage and that very few resources were being made available for this kind of planning. I say it is an important role for Canada, a far more important role than to be involved militarily in this serious, mistaken war. Canada should begin preparing along with other nations through the United Nations for the aftermath. Let us simply deal with the geopolitical damage that is being done, which is another reason I may add for our not being involved as active combatants.

Bombs from the United States of America, France, Britain and other countries are being dropped on the people of Iraq and the people of Kuwait. This will exacerbate the feelings of intense hostility that the people of that region already feel toward the western world. It will be essential, if we are going to repair the rift that this will cause between the Arab world and the rest of the world, particularly the western world, that countries like Canada be ready to move in quickly to demonstrate that countries from the west do not simply involve themselves in bombing the people of that region, but that countries of the western world are ready to help in a humanitarian way. We must be ready to plan that help. We must be ready to work with whoever are the survivors politically in beginning to rebuild the political structures of that region. We must be ready as well to work to achieve some of the long-range solutions to the problem.

There has been a lot of talk about an international peace conference and about linkage. That issue has now passed because of the beginning of hostilities, but the problem remains and will have to be dealt with, with compassion and vision.

The fundamental hyprocrisy of the western world through the United Nations, in moving so quickly on this issue when it has simply failed to deal with the just demands by the Palestinians in that region to deal with the resolutions of the United Nations calling on the state of Israel to act, cannot last past the end of this war. It will be essential that the world community begin quickly to deal with that. Canada must play a role.

Finally, let me say that we must look at a particular and a new role for our troops in the area. The motion that we put to the House yesterday asked for the House to approve the view that Canada must not be involved in the military action against Iraq and the Iraqi positions in Kuwait. This remains our position. It is therefore necessary in our view that our troops become disengaged from the role of combatant in the area.

• (1600)

The government is moving in exactly the opposite direction. It was made clear today by General de Chastellain, the Chief of Defence Staff, that our troops are in fact engaged even more actively than before in the assault on Iraq; that is to say, they have offensive roles in assisting the bombers going in, giving them escort and providing other support for the assault troops who are attacking the Iraqi positions.

Whatever one thinks of the involvement in the past in support of sanctions, it now becomes essential that Canadian military activity disengage itself from involvement in this war, which is itself arguably a breach of the charter of the United Nations. We must therefore redefine the role of our troops. I submit that in the agenda I have laid out on behalf of our party, there is ample role for the troops and for the forces we have in the area.

Instead of becoming involved in the war, they must begin to prepare to be involved in the peace. Instead of being involved in attack, they must be involved in humanity and must be ready to assist those who are the victims of war, rather than to create war itself. These are solemn obligations, and this is a difficult period for Canadians.

Canadians understand the terrible cost of this war. The overwhelming majority wanted our government to speak more clearly against the war. The war has now

started. Quite naturally, Canadians remain unhappy with this war and outraged that this should happen. They want our government to make a clear statement that Canada simply does not accept that this war is either necessary or justified.

Canadians also have great admiration for the professionalism of our men and women who are there. All of the comments we have made are not intended in any way to detract from it or from our personal concern for their safety. We do not ask for a new role for our troops because we want to remove them from an area of danger. Canadians, throughout our history, have been prepared in appropriate cases to risk their lives for the values this country stands for. Ever since the end of the Second World War, under the flag of the United Nations, our troops have served in dangerous peacekeeping missions.

We do not ask for a redefinition of their role in order to protect them. Rather, we think that as representatives of this country, our forces have a better role to play than to be aiding in the bombing of Iraq and Kuwait. It is for this reason that we call on the House to urge and direct this government, even at this hour, to change from the course it has been set on, to listen to the Canadian people and to restore Canada's place as a peacekeeper in a world that so sorely needs it.

Mr. Howard Crosby (Parliamentary Secretary to President of the Treasury Board): Madam Speaker, let me begin by assuring the hon. member that there are many colleagues in the Progressive Conservative Party, including myself, who for many years have monitored the situation in the Middle East. I personally have travelled to Iraq, I have spoken to Iraqi officials over the years, and I have visited the parliament. When I hear of bombings in Baghdad, it has real meaning to me. I know the situation there and I know the people there.

The member has said this action is neither necessary nor justified. I want to direct a few comments to this point because he has indicated the dire consequences of war. I hope he does not suggest for one minute that any member of this House of Commons is not aware of the dire consequences of bombing, death and destruction. He does all of us a disservice if he suggests for one minute that anybody in this House of Commons or anybody across this nation looks favourably upon that kind of activity. Of course it is abhorrent to us all. The question is whether this action is justified.

I want to say this to the hon. member and to all members of the New Democratic Party: I have heard President Saddam Hussein characterized by Stephen Lewis, former Ambassador to the United Nations, as a psychotic person. I have heard him refer to Saddam Hussein time and time again as a madman. The leader of the New Democratic Party herself admitted that at some point in time force may be necessary.

I want to direct the hon. member's attention to this: His party and others argue that sanctions might work, that they should be given time to work, and that approaches should be made by other people, other places and other times in order to change the course of this action and in order to deny the need for any forceful action. One of his principal party supporters has described Saddam Hussein as a psychotic personality. His own party members have described him as a madman out of control. How does he expect to appeal to that kind of psyche? How does he expect to appeal to that kind of person to end hostilities and to listen to reason? How can you reason with a person whom you have characterized as being psychotic?

Does the hon. member not realize that the Speaker of the Parliament of Iraq has said that 18 million Iraqis are prepared to die in this cause because they are believers? How can he talk about peaceful initiatives? How can he talk about sensible presentation? Why will he not admit that this is a situation that cannot be coped with in those ways, get on to justifying what has to be done and back the United Nations actions?

Mr. Brewin: Madam Speaker, I appreciate the interjection from the member because it does really get to the nub of the issue between our position and that of the government.

The real issue is how to deal with Saddam Hussein. The issue is not whether Saddam Hussein is a psychotic. We accept that definition. We accept that anyone who would use chemical warfare on his own people is psychotic. We agree that he has one of the worst Amnesty International records. The mere question perhaps implies that the member somehow is more fervent in his opposition to Saddam Hussein than we are. This simply is not the case.

The issue is how to deal with Saddam Hussein. How do you deal with Iraq? That is the issue, and the member agrees. The question then is how to deal with him in a way that is as consistent as possible with the United Nations charter. While it fundamentally calls for peace, it understands, however, the need to escalate the various efforts that the world community can make to enforce world law and the rule of law internationally.

This brings us very quickly to the issue of sanctions. Again we all agreed initially in this House that sanctions were valuable and important, so sanctions were imposed. In terms of the compliance with those sanctions, they have proven to be the most effective sanctions ever imposed in the history of the world.

There are 115 cases of sanctions since the end of the First World War. A very learned study published in *The New York Times* and again in *The Globe and Mail* demonstrates in detail—if the member would do me the courtesy; I gave him the courtesy—that these are the most effective sanctions since the First World War and in fact since sanctions were recorded.

These sanctions operated on a country that is particularly vulnerable to sanctions. It has one major export, which is oil. The member shakes his head. It is really interesting that there has been simply no evidence placed on the table of this House of Commons or before a committee that would contradict the fundamental conclusions of this study.

Let me just deal with how it deals with dictators, which is the final point I wish to make. It has been suggested over and over again that dictators would not respond to this and that somehow Saddam Hussein would not respond to sanctions. Benito Mussolini is said to have confided to Hitler that, had the League of Nations included oil in its sanctions against Italy in 1935-36, he would have been forced to withdraw from Ethiopia in a week. This study concludes that if sanctions had had time to work, this war would not have been necessary. That is why we say this is an unnecessary war. That is why we say this is an unjustified war.

• (1610)

Mr. Jim Karygiannis (Scarborough—Agincourt): Madam Speaker, I listened to the hon. member for Victoria with great interest. As we have seen, Iraq, under the leadership of Saddam Hussein, invaded its southern neighbour, Kuwait, a smaller country. While this is a major concern to the world and to all Canadians, we are looking at this with interest. It attracted great world attention and resulted in an aggression by other countries against Saddam Hussein.

However, there are similar cases in which such things have been done. A prime example is Cyprus. In 1974, Turkish troops invaded the island of Cyprus and succeeded in taking over one-half of the island, resulting in many deaths and more than 2,000 disappearances. The United Nations has passed numerous resolutions condemning the Turkish action but did not even go so far as to impose sanctions or other punitive measures on Turkey. I have repeatedly questioned the government on the double standard.

I would like to know from the member for Victoria what his party's position is regarding the issue of Cyprus, because I have not heard it. Maybe they have commented on it, but I would like to hear with my own ears what his party's position is regarding Cyprus and what they are proposing to bring to this House in order to resolve the situation, which has been ongoing for 16 years.

Mr. Brewin: Madam Speaker, I simply am not going to respond, much as I would love to do so and get into a discussion on Cyprus. Generally, our party has always supported any effort to bring peace to that troubled area as well as Canada's work in peacekeeping. We have sent delegations and so forth. But this is not the day to debate the question of Cyprus and to come to full grips with the issue. We believe there are many troubled areas in the world, but today the area of the world that needs our attention is the gulf. I would hope this House would keep its attention to that subject.

Mr. Karygiannis: You have no position on Cyprus.

Mr. Jim Peterson (Willowdale): Madam Speaker, just referring to the gulf, would the member for Victoria tell us: Does the NDP's position of non-involvement extend to the situation in which Saddam Hussein carries out his threat and attacks Israel? Does it mean the NDP would not allow Canadian forces to attack Iraq in order to end that type of travesty?

Mr. Brewin: Madam Speaker, I very much appreciate the question because it permits me to clear up what may be a misconception, one I hope is not fostered by the hon. member. I am sure he is looking for information. Let me clarify it.

Our position as a party has always been in favour of collective security. It goes back to 1939. It goes back to the comments I earlier quoted by Mr. Knowles in support of collective security, and we support collective security to this day. We say it is entirely appropriate for forces to be in Saudi Arabia to prevent further aggression by Saddam Hussein. We have had no difficulty with that, and we entirely support the right of the State of Israel to defend itself. We say that the international community should be ready to defend the State of Israel from attack. This is what collective security means.

Our position, and I thought it was that of the Liberal Party as well, is: How do you roll back aggression that has already happened? When Saddam Hussein invaded Kuwait on August 2, it became a *fait accompli*. How do you then roll it back? Fundamentally it gets down to two choices. Either you move military might in to roll back Iraq and to "liberate" Kuwait, or you use sanctions and you apply pressure through sanctions that will change the behaviour of that government.

All the studies we have referred to have said that such action as economic sanctions would have been effective to change the behaviour of that government and to secure the objectives of the United Nations by removing Iraq from Kuwait. Our argument is that military force was not the appropriate way of righting the breach of international law on August 2. But we fully support the use of force to further protect countries in the region, and we have always been in favour of collective security.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Madam Speaker, I was prepared to speak yesterday, but the circumstances under which we were prepared to speak have changed. However, the motion that we have before us has not changed.

The motion states:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

I might say, Madam Speaker, that Canada is at a crossroads in its life as a nation. Many people have spoken about whether or not we should be part of this United Nations force in the Persian Gulf. I, for one, am in full agreement with it. I was in agreement last fall. I was in agreement last summer. I am still in agreement now that fighting has commenced.

Canada continues to be an active participant in the UN. We are part of the international community and as such we have certain responsibilities that we must meet.

The Prime Minister stated quite clearly and rightly that the violation of the sovereignty of one state by another is of national interest to Canada. We must remember that the UN was created at the end of the Second World War to foster international co-operation and to provide a forum through which disputes could be resolved and, hopefully, war prevented.

An act of aggression has taken place. The sovereignty of a nation has been violated. This violation contradicts the accepted principles of international affairs. It flies in the face of the international world order that is represented by the UN.

The world has expressed its outrage through the UN by saying that this aggression cannot go unchallenged. Order has been disrupted and it is in the world's interest and in Canada's interest that this order be restored. Unless we act to preserve the order that allows countries to deal with one another, we face chaos.

The UN continues to be the appropriate vehicle by which sovereign states can govern their relationships. Canada is committed to the UN because the UN reflects the belief that Canadians share, the belief in the need for law and order.

The UN and its members are necessarily concerned with the violation of the sovereignty of one member state by another. International order has been jeopardized and as such the UN has taken action to express its firm belief that Iraq has acted in an unacceptable manner. The UN has taken action to restore international peace and security and to restore international order, and has given its permission.

Canada has joined in an international effort in support of the UN resolutions by committing personnel and materiel. We have sent the Canadian Armed Forces to the gulf to signify our support of the UN and our opposition to the violence and atrocities being perpetrated by Iraq upon Kuwait. Canadian lives are in jeopardy.

Yesterday there was the threat of war. Today there is a war. Canadians could well be casualties. Iraq's aggression upon Kuwait is a very serious matter. The UN's response, Canada's response, is a very serious matter.

I sit in this House to represent the views of the constituents of Fraser Valley East and to represent the views of Canadians. Canadians have expressed their concern, a concern I share. We are concerned about the lives that have been lost to date and the lives that could be lost. The lives of Canadian forces men and women are in the balance and we have called upon the Armed Forces to lay their lives on the line. We have done this because we recognize that without the principles of law and order and without tangible values society devolves into barbarism and civilization self-destructs.

At this point I would like to say something about our Armed Forces personnel serving in the gulf. They follow an honourable profession and are doing what they have been called upon to do because that is their duty.

These men and women have volunteered to join the forces, not from some Rambo-type motive, but because it is in this way they feel they can best serve their country. In times of peace they are often ignored, but in times of war we seek them out to defend us. They have never let us down and will not do so in the hostilities that are taking place now.

• (1620)

Let us not underestimate what we are asking them to do. While I am sure each of us and every one of them has always known they might be called upon to take part in a war, until now it has seemed a remote possibility. However, now that war is a reality, we are asking them to fulfil the hardest part of their obligation to Canada. In doing this, we have a commitment to them and it is that we support them both with the means to carry out their duties and by our moral support. We have to make sure they know we back them wholeheartedly.

I want our servicemen and women in the gulf and around the world to know that they are always in our thoughts and that we thank them for taking on this onerous task. Their professionalism and dedication to duty is not in doubt and, whatever happens in the coming days, we all pray for their safety and a speedy resolution to the conflict. To the Canadian forces, I say, thank you.

Canada enshrines its beliefs in our bodies of laws. Our institutions reflect who we are and what we stand for. Our support of the UN and the actions that we have taken to date on the Persian Gulf are an extension of this.

In Canada, we have safe institutions which protect our citizens because we have a society with certain values by which we live. When we support the UN, we act upon our beliefs, we achieve a peace of mind, and we give meaning to our beliefs. What Canada is doing, in this United Nations action, is putting into practice our pretension as a nation.

We, in this Chamber, are aware of the costs involved with this war. We are also aware of the costs should Iraq be allowed to benefit from its violation and aggression of Kuwait. We do not take this decision to support the United Nations lightly. Should we fail to contain aggression between states in this conflict, we will signal to other renegade leaders that their blatant disregard for the sovereignty of others could go unchallenged.

We will signal that the only cost to be incurred in violating another state and in perpetuating atrocities upon the citizens of another state is a tongue-lashing by the international community. In good conscience, we cannot allow this kind of message to be sent. If we fail to back our beliefs with actions, our beliefs become worthless. All the good words in the world are meaningless without action. Our credibility is on the line. I do not mean our credibility as a world actor, although that is a consideration, I mean our credibility as a society. It is our credibility to ourselves that we are preserving.

Canada acts within the UN because that organization reflects our beliefs in civilized order. I do not view this situation lightly but we cannot turn our backs on Kuwait. We cannot allow Iraq's aggression to go unchallenged. I am well aware of the gravity of this situation and it is with this awareness that I lend my full support to the motion that we are debating here today.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the debate appears to be centred on whether or not the sanctions, if they had been given more time, would have

driven Saddam Hussein out of Kuwait, as opposed to the current military action.

I wonder if my hon. colleague would respond to the following. The former Chief of the Defence Staff has said: "Nothing is getting in or out of Iraq by sea. . .There can be no doubt that the swift and united action of much of the world. . .is deterring Iraq from further aggression and increasing the chances of a solution to the affair without further aggression." That was before the war was started.

Addresses by U.S. Senators Mitchell and Kennedy identify testimony from President Bush, Secretary of State Baker, and CIA Director Webster indicating that sanctions are working.

Canada's Secretary of State for External Affairs stated in a letter to John Bosley, on December 28, 1990, that "these are the most effective and comprehensive sanctions ever applied by the international community".

General Schwarzkopf, Commander of the U.S. Forces in the Persian Gulf, and U.S. Senator Sam Nunn have also issued statements in support of continued economic sanctions.

Finally, in a study of over 100 cases examining how well sanctions had performed, Gary Hufbauer and Kimberly Elliott wrote in an article in *The New York Times* just a couple of days ago that "Sanctions Will Bite—and Soon". "Far from inconclusive, the evidence suggests that sanctions will begin to bite some time in the spring or early summer, with a high probability of forcing Iraq from Kuwait as early as the fall."

With all of that evidence that sanctions and the embargo were having a very detrimental effect on Iraq, how does he respond to this evidence that I just shared with the House?

Mr. Belsher: Madam Speaker, I must point out to the hon. member that he is dealing with some of the motions that were before us yesterday which we voted on in the House. The motion that we are debating today is whether or not the House will continue to support the actions of the UN. That is the motion before us. We are dealing with the motions that were in the UN, number 660 right through to 678.

The debate today is not whether or not sanctions had been given long enough to take further action, but whether or not the House is supportive of the actions and the motions made in the UN last fall and last summer. That is what I was debating and that is what I was talking about. I am in full support of us endorsing those motions.

Mr. Sid Parker (Kootenay East): Madam Speaker, I, too, would like to question the member for Fraser Valley East, if I may.

He has indicated in his speech that we have looked at slapping these people on the wrists when they ignore United Nations resolutions. I take exception to that remark because in fact there was a lot more than that done.

Again, I would like to refer to the information from the intelligence service: "This assumption ignores the striking evidence given by the Central Intelligence Agency, Director William Webster, before the U.S. Congress," as reported in *The Manchester Guardian Weekly* of December 23. The CIA director said "that Iraq exports had been slashed by 97 per cent, even greater than the cut in imports which had been reduced to a mere 10 per cent of the trade before Saddam Hussein annexed Kuwait. The Baghdad regime is inexplorably running out of commodity on which its future depends, money. Oil revenues are the drip-feed of Baghdad's life support system. With them, the dictatorship will inevitably perish." That is the comments of the CIA.

Here we are debating a United Nations resolution which we have supported with regard to the sanctions and giving them an opportunity to work. We have now reversed that decision as a country and gone to war.

I say to the hon. member when I question him, is that merely a slap on the wrist, or should we have not continued on with those sanctions to bring this dictator to his knees?

Mr. Belsher: Madam Speaker, the hon. member raises a very worthwhile question. What the hon. member must remember is that sanctions can only work for so long and that we also have a coalition of countries that were supportive of the resolutions that were passed in the United Nations. We have no way of knowing as to whether or not these sanctions would have taken the desired effect within the foreseeable future or within years as to what was going on.

We do know that Kuwait was still completely under the domination of the Iraqis. A country had been invaded. We know that the surveillance was indicating that they were strengthening and fortifying themselves in Kuwait. They were setting themselves up for a very, very long stay in the country of Kuwait. Action had to be taken in

order to bring this to a halt and to get Iraq out of Kuwait. That is what this is all about.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, the tragic reality of hostilities which commenced in the Persian Gulf last night have made this resolution and debate very much redundant today.

• (1630)

This is particularly so because all members have quite properly and patriotically pledged their support, hopes and prayers on behalf of Canada's Armed Forces now engaged in the conflict.

It is important that such a spirit of united concern be displayed for our men and women who are serving there and for their families remaining here at home.

I take considerable pride that on such a serious occasion and for such a compelling purpose, partisan lines of conflict can be set aside and we can come together as parliamentarians in common cause.

Having said that, I think it is also important to be clear about our positions as we have led up to the circumstances in which we now find ourselves.

The hard decisions of commitment are now behind us. There has been vigorous and legitimate debate as those decisions have been reached, first in November when the government's position for Canada to support the United Nations in the Persian Gulf was adopted and, more recently, in the past two days as that position was to be reaffirmed.

The record will show clearly how views were expressed, and I will deal only with my own. I am not naive about the party system, and I have had extensive experience with and respect for the necessity and values of party discipline in financial matters and on normal policy issues.

Frankly though, I have been troubled by the implications of opposition calls this week for a free vote as though to say that members of any party would be willing to subordinate themselves and their consciences to the party line on such a high moral issue of principles such as this.

The facts are that no self-respecting member of Parliament should be easily led between war and peace. From the government side, I can only tell you that the leadership has been superlative both on the public stage and in the privacy of caucus.

The performance of the Prime Minister, of the Secretary of State for External Affairs and of the Minister of National Defence have been exemplified in their respective presentations to this House of Commons over the last few months about these matters but never more full of logic, conscience and commitment than in these most recent days.

If there is unanimity on the government side about the difficult decisions which have been made, and I can only assert my own position, it is because those decisions are believed to be the right ones and not because they have been imposed. Free vote or not, I repeat that the choices between war and peace cannot be forced upon the integrity of any individual unless he or she is prepared to accept them.

In the original debate, on November 28 to be exact, I spoke in support of the resolution for Canada's participation in the United Nations actions to expel Iraq from Kuwait.

With time and events now having overtaken us, I can say again with conscience and conviction that Canada has no alternative but to act with its allies in the United Nations to stop Saddam Hussein's aggression now or to risk a greater catastrophe in the future.

In that first debate, I stated very clearly my own instincts to work for peace at almost any cost and to avoid conflict, except as a very last resort. I said with equal clarity, however, that although peace is the goal we all seek, history has taught us that sometimes to ensure peace or to restore it, we must even be prepared to fight in war.

Such a peace was lost, and such a war was started by Saddam Hussein on August 2, 1990. Now, finally, more than five months later on January 16, 1991, Canada has joined with other members of the United Nations to turn his invading armies out of Kuwait.

I supported that role for Canada when I spoke in November, and I continue to support that role now.

There were personal decisions that I did not reach easily or without deep, personal reflection. However, I want to make it abundantly clear that they were my own and were not in any way imposed upon me.

During the intervening weeks over the Christmas season and into the new year, I have watched and listened anxiously along with all other hon. members and with all Canadians as events have unfolded in the Middle East.

In so doing, I have continued to search deeply for any contribution I might be able to offer toward resolution of the Persian Gulf crisis. Regrettably, I have not been able to much improve on the position which I took in the original debate.

Simply put, the order of law must be preserved throughout the world. The United Nations is the best vehicle for accomplishing that goal and armed force must be used to do so as a last resort in the failure of all other alternatives.

Last night the combined wisdom and judgment of the leaders in the United Nations coalition, led clearly by the United States, which has by far the greatest tangible commitment to the mission, determined that the balance of other alternatives had failed in Kuwait and decided to proceed with the final option of armed force.

I have respect for the concept of collective security represented by this unprecedented alliance under the mantle of the United Nations and, therefore, albeit with despair and regret, I accept and support the judgment and decisions which have been made and are now being exercised.

There has not really been much division in this House about the order of law or about the importance of the United Nations. Where we have had difficulty, and the issue which has really been before us is the course of ultimate action that must be taken to live within those principles of law and order and the work of the United Nations. How is the order of law to be preserved, how is the United Nations to accomplish that purpose? To a very considerable extent there has even been a consensus in the House for the unwelcome prospect that armed force would ultimately be contemplated to preserve the order of law when clearly there are no other effective alternatives.

I seem to have heard, or at least have gained the impression from listening to the leaders, that all parties in this Parliament would agree that at some point aggression must be met with force if there is no other way to stop it.

The Liberal Leader even hedged his earlier amendment with a proviso "at this time". The NDP Leader has also said clearly that she could conceive when force would be a final option. Surely, therefore, that means that no member in this House has a monopoly on the commitment to peace, nor does any member hold absolute purity about the prevention of war. We all share the quest for peace, but we all do seem to agree that force must ultimately be used if necessary to preserve that peace.

What we really have been debating are the questions of when and how the ultimate sanction of armed force should be used. That also puts the debate within the context of risk and responsibility for which there is a distinction within this House because only one party, the government, can make the final determination of risk and exercise the final act of responsibility. In the final analysis, the hard decisions must be made by the government, and that is not to complain, that is the government's duty.

Where there still does remain division in this House now that the time to use force has been determined is in whether Canada should remain committed to collaborate with its allies in the application of that force. I reject that we should withdraw our forces to seek only a peacekeeping role. Canada is not a neutral country. We must do our share to fulfil our responsibilities and our commitments in full alliance with other members of the United Nations coalition, particularly the United States.

Frankly, it is a practical matter of fact that decisions for any action against Saddam Hussein, even the imposition of economic sanctions, would have been sterile without the major participation of the world's leading economic and military power. Let us all be realistic and acknowledge that we are fortunate to have the United States committed so completely to this mission for peace as otherwise it is doubtful that Saddam Hussein would be stopped at all.

Therefore, nothing could be more natural and responsible than to join those allies under the mantle of the United Nations. In fact we are told that Canadian leadership did as much to build that alliance as to follow and support it. It would be the height or irony, of irresponsibility, and perhaps even of cowardice for Canada to renege or back away from its commitments to this alliance in any way. Most certainly, it would be humiliating for us to do so, particularly for petty reasons or false

pride about who will be in tactical command of operations at any given stage or any given time.

It is clearly a coalition and a partnership of autonomous nations which have committed themselves to a common and united cause. In my view, it is the best ever manifestation of the ultimate vision of the United Nations which was founded so long ago, one which has been so badly frustrated and fragmented by cold war circumstances so as to have never been truly operable until now.

The involvement in which we find ourselves is absolutely consistent with our historic traditions and our world reputation.

• (1640)

In fact, the coalition against Saddam Hussein would be severely weakened with Canada's full participation, diplomatically, economically, and even militarily. That is among the strongest of reasons for my support of the resolution last November and for my continued support of Canada's position today.

So, Madam Speaker, with no sense of enthusiasm or light heart at all, but in fact with a great sense of discouragement and apprehension, I remain convinced that our complete commitment to the United Nations and our allies in it is the right course for Canada at this time in our history.

We are pursuing a course for world peace and for world order which is absolutely fundamental to the best interests of our own country and should be to all other nations. It is a mission that cannot be characterized as beyond our values or our vision because in the world we know today even the Middle East becomes a close neighbour. We cannot isolate ourselves from reality, nor can we retreat from responsibility.

Madam Deputy Speaker: Questions or comments?

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my hon. colleague indicated that he was supportive of military action, and I think I am quoting him correctly, "under the mantle of the United Nations".

I am wondering if he, like myself, is supportive of the United Nations and so committed to it that he would be prepared to recommend to his government that this multinational force be under the command and direction of the United Nations.

Mr. Bird: Madam Speaker, as I said in my remarks, I would not criticize or condemn the coalition in the manner in which it is campaigning for peace in the Middle East on the basis of petty reasons about who is in command of tactical operations.

I believe that this is a much more realistic approach to the operations than perhaps would have been possible or operable under the flag of the United Nations. I have heard words to the effect that the United Nations force was not so effective or well managed in the Korean War, for example.

What is unique here is that each nation has been able to retain its autonomy while collaborating within what we are told is a concept of national command and designated or delegated a technical operation.

I would think that this is a very reasonable and appropriate approach to the hostilities in the Middle East at this time.

Mr. Robert Wenman (Fraser Valley West): Madam Speaker, I would like to say that this motion reinforces the force mandate of the United Nations and sets another precedent for the use of force. Does the member believe that the United Nations should be strengthened with a new force mandate and new precedent of this nature?

If you go to history, China invaded Vietnam. Vietnam invaded Cambodia. The United States invaded Panama. Israel and Syria invaded Lebanon. The Soviet Union invaded Czechoslovakia and Poland. If today the Soviet Union invaded Czechoslovakia or Poland, or China invaded Vietnam, would the United Nations then be justified in using force? Does the hon. member believe that the United Nations would go against China or the Soviet Union with a force mandate and a war to remove them from those countries? Is that where we are headed with world government?

Mr. Bird: Madam Speaker, I believe that the resolutions which were taken in advance of the actions in the Middle East by the United Nations did establish the mandate for force. It appears to me that the unprecedented alliance which has been created and the successful action which I contemplate—although with considerable apprehension as do all members from present operations—will establish for the first time

perhaps the reality that the United Nations has the power of force to support its diplomatic mandate, and having the power of force and having demonstrated the will and capability to use it, may obviate the need ever to use it again.

Madam Deputy Speaker: Resuming debate.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I must say that, contrary to common practice, it would be difficult for a member to stand up today and state that he or she has the pleasure of taking part in this debate, for this is a very serious matter we are debating, a matter with serious consequences for our country, for our young people and perhaps also for the universe.

The Prime Minister recalled the House of Commons to discuss the situation in the Persian Gulf, but he did so at the last moment, Madam Speaker. He waited until last Thursday night, merely four days before the January 15 cut off date, to recall the House for consultations on the actions Canada should take against Iraq, following the invasion of Kuwait on August 2.

What is worse, Madam Speaker, is the fact that the government put a motion proposing something entirely different from the real reason we are here today. Instead of asking us whether or not Canada should take part in this war, the Prime Minister and his government decided to ask us, by way of a motion, if we supported the United Nations.

[*English*]

Had we been asked the appropriate question, which is of course should Canada go or not go to war, I would have nevertheless voted against it. But I think I had a right and my constituents had a right to have that fundamental question posed and to have all of us speak on the question that should have been before Parliament.

When I said that we commenced this debate at the eleventh hour, that is not just an expression, for as we were debating the motion in question in this House war did break out. Last evening I had temporarily left the House of Commons to have dinner in the Parliamentary Restaurant when my colleague from Mount Royal suddenly entered the restaurant to break the news to us who were there that the war had begun. While I was grateful for the initiative of my colleague who chose to come and inform us of the news, I must tell you, Madam Speaker, that it is not exactly news that I was looking forward to.

None of what we say today should be interpreted in any way as to suggest that we do not find anything wrong with the invasion by Iraq of Kuwait. I think that all of us in this House deplore and condemn the action of Saddam Hussein who invaded the oil rich and very tiny nation of Kuwait last August 2. Neither should we pretend that we are here to defend that great bastion of democracy, Kuwait. That is not so either. What we are discussing is that a sovereign country was invaded by another.

It was a short invasion in terms of time and a bloody one. Kuwait, with a population of approximately a million people, was certainly no match for Iraq, which, according to the London based International Institute for Strategic Studies, has the fourth largest army on the face of the earth of some one million people. The invasion itself only lasted some three hours, and a few days later the government capitulated. We have all heard of the atrocities. We have seen reports on television of babies being killed in hospitals, of other similar incidents, and of the country of Kuwait being devastated by the Iraqis after the invasion.

• (1650)

The point I am making is that none of us in this House, whether we agree or disagree on the military action, differs in terms of our condemnation of the action of Kuwait.

[*Translation*]

Madam Speaker, the question is not whether we support the United Nations, as the motion before the House implies. Of course we support the UN, but we are under no obligation to support all its resolutions. In fact, the Canadian government has not always done so. After all, we are a sovereign state, and we are free to make our own choices.

The question is not whether we are against Saddam Hussein, his government, and the brutal invasion of Kuwait. Of course we are. We have said so, and we will continue to say so, loud and clear. The question is not whether we support our Armed Forces who are now in the Persian Gulf. As was said clearly by the Leader of the Opposition last night, of course the Liberal Party supports the military forces in Kuwait at this time.

Madam Speaker, the question, although it may now have become somewhat academic, was whether together with the United States and other countries, we were in favour of declaring war against Iraq. That raised and still raises objections from Liberal members. However, Madam Speaker, it is more or less water under the bridge, since we have already passed that stage.

[*English*]

Regrettably, in my opinion, there has now been a military aggression. War has been initiated, and I deplore that. Regrettably again, our country has decided to participate in that war. But, now that that is done, I think it is incumbent upon all of us to support the forces that we have sent over there, even though I am not one of those who thought that it was a good idea to send our forces into active combat to start with. That is done and we cannot, as far as I know, undeclare war, regrettably.

What we must do, then, is support our forces. I think we must pray that our forces will be spared casualties, that this situation will not last any longer than it has to, and that our troops will be able to come home as soon as possible.

I want to return to this whole business of sanctions and why my colleagues and I thought that was the proper avenue to follow, even though of course, as I say, events have overtaken them. Canadians still have a right to know what it is that we thought was the appropriate course for our nation. We believe that diplomatic channels could have continued their work. We also believe that the trade embargo could have continued.

In response to a question by the member for Winnipeg South Centre, the Secretary of State for External Affairs said in the House of Commons yesterday, I believe it was, that there was no proof the trade sanctions had their desired effect. The minister was asking the opposition to demonstrate proof of that sort. The question was backward. The Secretary of State for External Affairs should be giving us proof and should have given us proof prior to the military action being launched that the trade sanctions had not worked. That proof was never provided to members of this House or to Canadians generally.

William Webster of the United States Central Intelligence Agency, not one of those folks known to be a dove, said less than two months ago before the U.S. Congress that 90 per cent of Iraq's imports and 97 per cent of its exports had been stopped. Has that changed since then? If it did, by what measure did it change? What is the proof that it has changed? Why was that proof not given to me and to our colleagues in the House of Commons? Why was that not shown to us prior to the military decision being taken? I do not know the answer to that questions.

James Schlesinger, former secretary of defense of the United States, said that we needed approximately a year for the trade sanctions to work and to be able to identify how they had worked. Why is it, then, that all of that advice, again not from people who are known to be peace activists, was not followed?

I want to remind the House of a speech made in the United States Senate on January 10, 1991, in which Senator Edward Kennedy of Massachusetts said the following:

> I urge the Senate to vote for peace, not war. Now is not the time for war. I reject the argument that says that Congress must support the President, right or wrong. We have our own responsibility to do what it is right, and I believe that war today is wrong.

Similarly I say to our colleagues in Parliament who are supporters of the government that they had the same duty; that the argument for members across the way to support the Prime Minister, right or wrong, is itself wrong; that we have the responsibility as well to do what is right. I wish that they would have agreed with me that the declaration of war itself was wrong.

In the few moments I have left, I just want to indicate that the Canadian Physicians for the Prevention of Nuclear War and a group in the United States calling itself the U.S. Centre for Defence Information have warned that the casualties from this war could be indeed quite severe. They talk of casualties including deaths of some 200,000 people and indicate that 80 per cent of them could be civilians.

[*Translation*]

Madam Speaker, I would like to say, in the few minutes I have left, that I hope the statistics are all wrong, not because parliamentarians enjoy being proved wrong but because I hope those lives will be spared. I also hope, and this notwithstanding my objections to this declaration of war, that now that war has been declared, our military forces will be spared and that they will all come back from the Persian Gulf, without exception. It

may be wishful thinking, but I can still hope and pray it will happen, Madam Speaker.

I also hope the war will be very short, that Saddam Hussein will withdraw from Kuwait, and that subsequently, the nations of this world will be able to ensure there is stability in the Persian Gulf. We can only hope that never in our lives, not in yours or mine, nor in our childrens lives, we will ever face a similar crisis.

• (1700)

[*English*]

As the father of two teenagers, Madam Speaker, I must tell you that when war did break out last night—and still today, so long as it is there—it really brings the message home. When one has a son of 19, one thinks even in times of peace about the possibility of war. I am sure we all think of that in any case, but we think of it with a particular focus in mind. It brings just one additional concern to all of us. It does to me as a father.

In closing, let us hope that the hostilities will be very brief, that Saddam Hussein will withdraw from Kuwait and that we will restore long-term peace and stability in the Persian Gulf area.

* * *

MESSAGE FROM THE SENATE

Madam Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-19, an act to amend the Penitentiary Act, to reinstate the statutory visitation privileges of members of Parliament, to which the concurrence of this House is desired.

[*Translation*]

I also have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-94, an act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1991.

A message has also been received from the Senate informing this House that the Senate has passed Bill C-18, an act to establish the Department of Multiculturalism and Citizenship and to amend certain acts in relation thereto, without amendment, and of the comments appearing in the 19th report of the Standing Senate Committee on Social Affairs, Science and Technology, dated January 16, 1991.

A message has been received from the Senate informing this House that the Senate has passed Bill C-54, an act to amend the Criminal Code (joinder accounts), without amendment.

* * *

THE ROYAL ASSENT

Madam Deputy Speaker: I have the honour to inform the House that another communication has been received as follows:

Rideau Hall
Ottawa

January 17, 1991

Mr. Speaker,

I have the honour to inform you that the Honourable Claire L'Heureux-Dubé, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, will proceed to the Senate chamber today, the 17th day of January, 1991, at 5:05 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,
Judith A. LaRocque
Secretary to the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (1720)

[*English*]

And being returned:

Madam Deputy Speaker: I have the honour to inform the House that when the House went up to the Senate chamber the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-74, an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof.

Bill C-68, an act to amend the Yukon Placer Mining Act and the Yukon Quartz Mining Act and to make provision for the application of certain orders.

Bill C-18, an act to establish the Department of Multiculturalism and Citizenship and to amend certain acts in relation thereto.

Bill C-54, an act to amend the Criminal Code (joinder of counts).

Bill C-94, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending the 31st March, 1991.

* * *

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed consideration of the motion of Mr. Clark (Yellowhead), (p. 16984) and of the motion of Mrs. Collins (p. 17150).

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I would like to bring to the attention of the hon. member who just spoke and the House some feeling from my own riding on the west coast of Canada. I have a petition and some comments that were submitted by the Como Lake High School in Coquitlam, British Columbia, wherein the students expressed deep concern over the position Canada has taken with respect to the crisis in the Middle East. They are opposed to war. They were encouraging their member of Parliament, in the strongest possible terms, to speak on their behalf, to use dialogue and other sanctions to bring a peaceful end to this crisis. I received a similar message in a petition presented to the Port Moody High School Student's Council through Lisa Buckley and Chilwin Cheng. They presented to me a petition with 1,000 signatures, so I have 1,266 signatures from the students at Port Moody Senior High School and Como Lake High School.

I bring this to the attention of the hon. member because this was really done before the outbreak of hostilities. I think the hon. member and other members would agree with me and with these students that there is a deep concern among young people in Canada against war. They are right; they are against war.

I will just ask the member to comment on this matter. I feel that after the shooting is finished in the Middle East—and hopefully that will be soon—the real challenge for the world will be to make peace. We will need a Middle East peace conference to build confidence, security building mechanisms, co-operation, and a feeling of security among all the countries so that this will never happen again.

I am pleased to present those views on behalf of myself and the young people in those high schools. I would ask the hon. member and other members to comment about that position.

Mr. Boudria: Madam Speaker, I want to thank my colleague for his question. Actually he reminded me of something I should have raised myself, that is the fact that yesterday, young people from *l'École secondaire de Plantagenet* in my constituency came to my office with a four-foot by eight-foot plywood postcard. Members whose offices are in the West Block might have walked by my office and have seen the postcard advocating peace addressed to the Prime Minister. I see our colleague from Simcoe across the way. Her office is just across from mine. She has obviously seen the postcard. It is very impressive, with all the work that was done by those young people.

I want to tell my colleague who just raised that question and brought the petition to the attention of the House that it is no coincidence young people in large numbers signed it. Wars are not fought by people my age or the age of most members of this House, excluding yourself of course, Madam Speaker, because you are far younger than most of us, wars are fought by young people. It is not a coincidence that they have a particular concern about war. Earlier I alluded to that in my remarks as a father of two teenagers and to the totally broader dimension that it brings. Generals themselves are not largely on the battlefields; it is the soldiers who are on the battlefields, the able seamen and other people who are not officers and who are also the younger ones.

Finally, I would like to comment on the last item that our colleague brought to our attention, the whole issue of restoring peace to the general area afterward. This morning I watched the news on television. Dr. Henry Kissinger, a well-known personality in the area of foreign affairs, brought to the attention of everyone listening the fact that when all this is over things must be reconstructed in a way that will achieve long-term peace in the area.

If Iraq is totally devastated in such a way that nothing can be reconstructed, if devastation can be that severe,

countries such as Iran and others in the area are potentially attracted toward invading that country. If that were to happen, of course the same process might happen all over again. How unfortunate that would be.

Those who are charged with fighting the war in Iraq should remember that as part of their military strategy, because the devastation will result from that. I suppose that is part of war, regrettably. They should remember that if the devastation is to such an extent that virtually nothing can be salvaged, it might encourage less stability in the area rather than more.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I wonder what the member's feeling is on a related subject.

I just received a call from *Canadian Press*. The parliamentary secretary, if he still holds that position, might also be interested in this. A ban was placed as of an hour ago on all Canadian reporters in the area with respect to speaking to any soldiers, airmen or navy personnel aboard the ships or in Qatar. I wonder what his reaction is to this ban with respect to freedom of the press.

I have also received another call with respect to coverage of French language television. The reporters are there, but the camera crews are not there on the French CBC side, Radio-Canada.

[*Translation*]

So there is some concern about the potential of camera crews on the French side and the freedom of speech of reporters. Would you care to comment?

[*English*]

Mr. Boudria: Madam Speaker, the great concern—and I am sure it is a concern that will be shared across the way as well—is that there is a tendency in war to embellish the result that one wants, shall I dare use the word, to propagate. The obvious concern is that people could then put what is known as the spin that they like on the news. In other words, they could orchestrate the news in such a way as to give the appearance that they want, rather than informing the people about what is actually happening.

There is another concern that I have. It is in relation to the United States way of doing things. I do not criticize the United States in at regard. It has its own way of doing things; it is just not my way. The United States military generally operates in that kind of fashion, which is the one my colleague from Mount Royal has just described. I am concerned about the following two possible scenarios and I hope that someone on the government side is able to react to them. I am wondering if the United States military is now controlling Canadian access to information in regard to this war or, alternatively, have we as a country adopted its way of controlling access to information? Which is it?

• (1730)

I am reminded by my hon. colleague from Mount Royal that it has been said many times that the first casualty of war is truth. No doubt if there is that kind of control on the media, that casualty will definitely be first again.

Mr. Ken James (Parliamentary Secretary to Minister of Labour and Minister of State (Transport)): Madam Speaker, as many know, I have been anxious to return to the House of Commons to receive the most up-to-date information, to discuss, and to speak on the involvement of Canada and Canadians in the gulf conflict.

The war started before I was able to speak today, but I have listened to the most up-to-date information and certainly I have listened to a lot of discussion that has taken place in the last few days.

I am still pleased to be able to speak publicly and have the opportunity to do so about national interests, international law and security, and political and economic stability, as well as the fate of our international order.

For my part this is a very difficult, momentous and personally concerning consideration. Supporting the government motion is a vote of reaffirmation of Canada's vote in favour of 12 United Nations resolutions, ending with Resolution 678 that set the deadline of January 15 to use all necessary means to uphold all the prior UN resolutions.

Essentially the issue that is before us is what are we doing about Saddam Hussein and his troops, and what are we doing, how are we doing and how are we feeling about getting him out of Kuwait.

I believe that no one in the House disagrees with the need to deal with Saddam Hussein and his Armed Forces. Rather, it seems what has divided us has been the best means of how we go about doing it.

I do not think the choice is simply between war and peace. I cannot believe that any of us honestly opt for war if we did not have to end aggression. We do not want it, but he has brought it upon a small country next door.

What has really been at issue is the best viable means to go about having Saddam Hussein move out of Kuwait. I am fully in support of peace. I do not relish the thought of warfare that is going on or the loss of any human life. I am like the Prime Minister of Canada in that we believe that all diplomatic means must have been looked at and examined before January 15 and up to to January 16, the day the war started.

In my riding of Sarnia—Lambton, one does not have to go far to find support for this line of thought. On Monday of this week, about 100 local residents demonstrated in front of my constituency office calling for a peaceful resolution of the crisis.

Throughout last week, I have also met with a number of other constituents, with ministers of congregations, and received a number of telephone calls, and facsimile messages, all echoing the—

Mr. Skelly (North Island—Powell River): Madam Speaker, I apologize for interrupting the hon. member on this point of order, but there was an announcement that 350,000 Iraqis have been killed so far.

I wonder if the government might come forward to confirm that number of casualties for us and that those casualties are still accumulating. I think the House needs to know that information.

Madam Deputy Speaker: I do not think this is really a point of order, but I take it that what the hon. member is saying, and I am sure that should it become necessary, the House will be kept informed.

The hon. member for Sarnia—Lambton.

Mr. James: Madam Speaker, on the other side of the coin, a number of my constituents has also expressed support for compliance with UN resolution 678 to restore international peace and order in the gulf area.

On an issue of this magnitude and complexity, none of us can be said to have all the information or all the answers. As such we must respect the views and the emotions of all sides of this issue.

As parliamentarians we have to make decisions on the basis of the information available to us from all sources. We listen to our constituents, experts and other Canadians; analyse the information provided to us by the government; read the newspapers; and watch all sorts of coverage and information we get our hands on.

Sometimes, coupled with gut feelings, experience and instinct, we put things on the balance sheet and assess the pros and cons. In looking at this issue in this debate, we must begin by understanding why Canada is involved. Historically Canadians have been happy to have their government support NATO as a participant and as a leader. Why? Because of our size and our lack of military might. International order is of utmost importance to us.

The essence of our position is to support the United Nations in its resolutions. We are involved in defence of our own interests in the United Nations and in the invasion of any small member state. We are not involved in a unilateral initiative, but in a collective initiative involving more than 28 countries.

In particular, Canada is concerned about the Iraqi aggression as an affront to international law and a critical challenge to new international order of which Canada is such an advocate.

First, we had to consider economic sanctions and continued diplomacy. Assuredly, this was everyone's first and preferred choice. No one wanted to use force and everyone fears the madness and the cost of going to war.

Second, over the past months we have witnessed the systematic dismemberment of Kuwait. The December report by Amnesty International has already outlined the horrors and human rights atrocities experienced by the people of Kuwait: the reports of brutalization, rape, torture, forcible ejection, and so on.

What would be left to liberate had we waited too long?

Third, were the sanctions effective? Certainly, international trade has slowed. Yet, who is being most affected? Even Maude Barlow who had visited Iraq said on TV that only the poor were being affected. Saddam Hussein

has stated openly that he would not deprive the armed forces and the government of what is required.

Equally important, one must also ask the questions: What would have been the difference some six, twelve or eighteen months from now? Would Saddam, by having more time, have developed new capabilities? Would he have fortified his defences? As a result, would the casualties have increased as we waited? Who would he attempt to annex next?

In the end, my decision to support the motion before us has been primarily shaped by eight principle considerations.

First, the international order is Canada's objective through our United Nations participation. The prohibition against aggression which is a fundamental principle of the UN charter can never be really effective unless its members are willing to deliver on their own solemn commitments to collective security.

Second, when asked whether it should give support or walk away, it would be extraordinary if Canada was not participating in a UN action under the charter.

Third, there has been no change in Canada's approach to foreign policy. There is no contradiction between its present role and the peacekeeping role which it has undertaken in the past. Both support international efforts to maintain order and peace through the United Nations system.

Fourth, I am confident that I have been provided straight, accurate and in-depth information that substantiates that international order is being challenged.

In this respect, through external affairs, intelligence is telling us that the sanctions were not working; that the poor are being hurt; that the defences were being built up; and that it was certainly the time for us to enact a time date and carry on.

Any significant deal on the terms of Saddam Hussein—and I say any deal—could have been an extremely bad example and weakened the United Nations for years to come.

• (1740)

Seventh, human nature dictates the need for a deadline. In its absence, would we have had all this shuttle diplomacy that we had in the last two weeks? I doubt that very much.

Eighth, there are strong signals from our Armed Forces of their readiness in terms of training and their mental state-of-mind and, if need be, they are confident that they can carry out the task for which they are ready.

On the basis of these considerations and after looking at all available information, it is with a great deal of concern and consternation, and certainly deep thought, that I support the motion presented that supports the 12 United Nations resolutions.

This is a most difficult and certainly an emotional decision for many members of Parliament on all sides of the House. But failure to vote for this motion would repudiate Canada's support for the major resolutions and for international order that is so important.

So, I pray that this war will end quickly. My heart is with our Armed Forces who are defending freedom and peace in the gulf, as well for their families and relatives at home in my riding and in many places across the country. I wish the Armed Forces a speedy and safe return from the conflict that is taking place.

Mr. Raymond Skelly (North Island—Powell River): Madam Speaker, I ask the hon. member one question about his own personal approach and, I hope, the approach of every member of Parliament.

If the primary objective to destroy all Iraqi military infrastructures has largely been achieved, that the capacity to fight the size of force that has been accumulated against them has been removed, and that the cost of that was a third of a million Iraqis, if that bombardment continues from this day onward it is butchery. It is butchery of the poor, of the people of a Third World country. It is the most disgusting and despicable thing that could be imagined.

Would the hon. member join with us in the House in asking the Prime Minister to ask the President of the United States to stop the bombardment. A madman is being asked to take the responsibility for a nation and stop this battle, but that madman is probably incapable of

assessing and responding correctly to what is happening around him. It is the Iraqi population, half of which is under 14 years old, that is paying an enormous and unnecessary price.

Would the hon. member agree that if the casualties are that great and that in three days we see a million casualties and that that infrastructure is gone, that our Prime Minister should contact George Bush and say: "Stop, pause. Give the population a chance to take this into their hands and end the insanity"?

Mr. James: Madam Speaker, certainly I cannot answer according to the figures he presented. I do not know if that is the number of lost lives.

I do know, however, that my constituents and the government feel very strongly about Iraq leaving Kuwait. Certainly, I understand that the offensive action taking place was initially surgical; to remove the ability of Iraq to continue in warfare.

The United Nations has asked Hussein to leave Kuwait. It is in his hands. I understand he is a madman. I have that feeling from the news I heard a while ago where it was announced that they were going back to Baghdad. Probably now they are attempting to work on the people to try to overthrow this madman. It certainly appears to be that that kind of thing might be what they are attempting to do. Hopefully, the people of the country will take a hold of this situation.

It is certainly not the intention of myself or of anybody in the House to see the loss of life of even one person, but we know that in armed combat that is going to happen. I just hope and pray, as he and everyone here does, that either the President of Iraq or those who can take hold of this guy, hopefully from within, have him see his way and quickly move the troops out of Kuwait.

Madam Deputy Speaker: There is only a minute left so it will have to be very quick.

Mr. Marcel Prud'homme (Saint-Denis): I listened attentively to my hon. friend. We talk a lot about the new international order, and I agree. Would it not be the time now to start sending international signals as to the next step while the war is still on, a war with which I disagree of course? It may have been different, last week, before war broke out. But now that war has broken out, it is not more linked anymore. We should say, internationally, and Canada should be one of the first to start saying: what is the next step?

I know Sarnia—Lambton and I know there are a lot of leaders of multicultural groups there who strongly believe that the time has come to start, not linking, I agree, because it unpopular but to start talking about an international peace conference. It will even talk about the respect for the multitude of the United Nations Security Council on Cyprus and start talking to Turkey saying: "The time has come for you to respect the multitude of resolutions and to get out of north Cyprus" which it has been occupying against every resolution. Would the member care to comment for 30 seconds. I am sure we can give him a few seconds.

Mr. James: Madam Speaker, I hear what my hon. colleague is saying and I know of his great interest in that particular part of the world. Certainly, I would hope that the international order, that what has happened here with the United Nations, with the resolve, with the coalition, and with the allies coming together, will make some very strong signals that resolutions that were put in place will be picked up and carried on with in other places and resolved. As he said, he is not talking linkage and I am not talking linkage, but let us hope that this initiative will then show the way and show an example, being brought to a final resolve in the right kind of way where international order has been restored, and so it will show an example. I hear what he is saying and would agree.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I spoke in this House on November 29 on the original UN resolution to use force, if necessary, to drive Saddam Hussein from Kuwait. We are basically, for the people at home, debating the same resolution. If I may, I will read it, Madam Speaker. It reads:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

That is the issue that we are debating. We are debating a means of getting an individual out of a country that he has simply marched into and has taken over by sheer force, nothing more and nothing less.

On the evening of November 29, when I was speaking on the resolution, I pointed out that if there was a common theme to all that was said in the House that evening, it was the fact that we sought peace, all of us. We all have differing views on particular issues and circumstances but the common theme was simply that we wanted a peaceful resolution to the crisis in the gulf. Obviously, that did not come about. We have used every means at our disposal, all countries of the world have. The United Nations has just worked undyingly to solve

this thing peacefully, as has our Prime Minister and as has our Secretary of State for External Affairs, but to no avail.

• (1750)

That evening I got into the personal side of conflict, the personal side of war and what it is like for individual members of Parliament. That evening I spoke of my son's involvement in the gulf, not knowing at that particular time whether or not war would come about but certainly hoping and praying that it would not. But as I speak, he is positioned about 80 miles from the Kuwait border in Saudi Arabia. So the issue becomes very much personalized for me as a member of Parliament. I guess, when I speak, I am speaking not only as a politician, a member of Parliament, but also as a father.

I think that in a sense is what every member of Parliament in this place has gone through. Not all of us have a son or a daughter in the gulf, but all of us have friends and neighbours and associates that do have sons and daughters, men and women, in the gulf. Someone pointed out to me that every soldier is someone's son or someone's daughter. That is certainly true. Those human emotions have certainly come through here in the last couple of days.

I think every member of Parliament has been on an emotional roller coaster, not knowing even at the 11th hour, the 12th hour, whether or not it was going to come to this, come to war, but it has.

Just to review history a little bit, if we take a look at what happened about a year ago in Europe and what was happening around the world, it appeared that peace was at hand in a sense, if we can use that term, that the walls in Europe were coming down; that some of the old traditional barriers that have troubled us for years were tumbling. It looked as if there was going to be a new world order. The cold war in a sense evaporated and we were into a new time of peace.

But on August 2, that vanished. On August 2, Saddam Hussein moved into his neighbouring country and simply took it over in the most brutal fashion known to mankind. He spared no one. Women and children, young and old, they all perished at the hands of this international madman.

Why did he do it? It was simply thievery carried out at the grandest level. One anthropologist told me when I was going to university that that is usually what brings about war, theft at the grandest scale, one country attempting to take over another country, in fact stealing that country. He did not do it for any ideological reason. He did it simply to take it because in the taking of Kuwait he would be in possession of about 25 per cent of the world's known oil reserves and using that economic tool to inflict more pain on other nations as time went on and to take over other neighbouring Arab states at his own free will.

That is what the western world faced on August 2: How do we drive this individual out of this country?

We have used all peaceful means to do that, even at the 12th hour. This individual simply had to pick up the telephone and say that he was willing to negotiate, that he was willing to go back to his home country, leave these people alone and restore international order.

He simply did not do that. He had no intention of doing it. It is the same individual, the same madman, who put his own people through eight and a half years of war with his neighbouring country of Iran, at a cost of approximately one million people.

And then what does he do? He attempts to neutralize the country that he attacked and some of his neighbours who he fought for eight and a half years only to keep them neutral in this conflict that he is in now to do so, and gave up every single piece of territory that he gained in that war.

That is what we are dealing with. We are simply dealing with a madman.

Yesterday in the House of Commons, our former Prime Minister, John Turner spoke very eloquently to attempt to explain to the Canadian people the situation in the gulf in relation to the United Nations. He was very convincing. In his words, it is simply a war that has been sanctioned by the United Nations to drive out a common enemy.

To quote Mr. Turner yesterday: "No, this is not an American adventure. It is a United Nations action in collective security, one of the greatest historic developments of our time." It is one of the few times in modern history when virtually all the countries of the world have come together against a common enemy.

It is unprecedented in history that that would happen. Unprecedented. It is very important that Canada support the world view. We are living in a world that somehow seems to be filled with individuals like Saddam Hussein in various parts of the world from time to time. Madmen.

We have supported the United Nations over the years, and it is very important that we continue to do the same thing in this House.

A vote will take place on this, Madam Speaker, and you might say that it is academic, but it really is not. I think we need to have an overwhelming show of support for our position in the United Nations.

Again, as the former Prime Minister mentioned last evening, we are citizens of the world, and we have a collective responsibility to act as citizens of the world against an aggressor nation. That is simply what Saddam Hussein is: an aggressor who has picked up on his power and ability to inflict torture on others.

If I may, I would like time to finish. Saddam Hussein has spent a lifetime inflicting torture on others. Other members opposite mentioned the cost of the war that we are presently going through. What is the cost of waiting? How many lives have been lost in Kuwait in the last six weeks? We will never put a number on that. Never.

The suggestion is that it is in the hundreds of thousands. We will never know. That is the type of individual that we are dealing with. There has not been peace since August 2, so it is not a question of war and peace.

The question of war began on August 2 when he entered a neutral country and took advantage of it, decimated it—men, women and children. It is up to us to take action against Saddam Hussein. We have done it, and we are very proud of our position.

• (1800)

Mr. Stan Keyes (Hamilton West): Madam Speaker, at the outset, the first question that has to be asked of the hon. member who just spoke is how many lives have been lost in just the last 12 hours? Over 100,000 at least. Maybe as many as 350,000 to some counts.

The hon. member who spoke before him spoke of sanctions. The hon. parliamentary secretary quoted Maude Barlow as saying that sanctions only affect the poor. But we have to discuss this in an honest fashion. How many sanctions have been recorded? How many do we know of? How many examples are there? How many missing pieces are there to that sanctions puzzle?

The Centre for Strategic Studies in the United Kingdom told us and then showed us on network television the shortages of metal for bullets and shells, shortages of petroleum, refined petroleum, gasoline, cars and trucks in the line-ups, people waiting hours for their gasoline.

We are discussing a motion:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

That argument has gone on in this House. We put forward an amendment. We lost the amendment.

Now we have our men and women in the Armed Forces at war. These men and women have much pride in the duty they have to perform in the gulf. I know somewhat of the pride they feel. I grew up through the cadet movement. I was a second lieutenant in the Armed Forces for a period of time. So I understand what it is to be proud of that uniform.

My question for the hon. member who just spoke is this. We know what the situation is today. We know how many lives are being lost and will be lost. The question is, what are we going to do from this point on? Is the hon. member aware of any peace initiatives being carried out today? Is the hon. member aware? He certainly has the chance to tap one of the 13 members of the war cabinet on the shoulder and say, "What are we doing now?". I would welcome some information from the hon. member on what he is doing, not only personally, but what he is aware his party is doing to initiate these important peace initiatives that must begin now.

Mr. Thompson: Madam Speaker, the hon. member's question was quite lengthy. It goes into the question of waiting, as originating in the hon. member's statement.

One thing that I wanted to point out during my speech is a document entitled "The Price of Waiting. Amnesty International. Iraq Occupied Kuwait on August 2". It is a list of atrocities that were perpetrated on the people of Kuwait, as well as his own people.

This document is available from Amnesty International. I would suggest to the Canadian people who are watching that they send for it. It pretty well documents the type of individual that the world is up against.

That is the price of waiting. Hundreds of thousands have died, sometimes on a daily basis, waiting for this guy to move out. But, Madam Speaker, do you know how peace can be achieved this very night in the Middle East? No bombing or suffering. Saddam Hussein can pick up the telephone and just simply say, "I withdraw from that little country of Kuwait and I will go back into the hills of Iraq". That is all he has to do.

We know what the UN has gone through and what Canada has gone through to preserve the peace over the years. The question is: Can we deal with a madman? We cannot on the terms that he wants to deal. It is simple as that. If he wants to sue for peace this evening, peace will come about. The United Nations and the rest of the world are bent on delivering peaceful decades to come in the Middle East. We will work to achieve that. Canada will work alongside the United Nations to achieve that, as we are this very evening.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, like many of us in this House of Commons, I had prepared notes in the days—it seems days ago—it is only two days ago that we came back to Ottawa to debate the motion that the government put forward. I prepared notes on why it was wrong to go to war and why it would be such a mistake. The fact is that now this country, my country, Canada, is at war.

I find those words very difficult to say. It is not something that I ever dreamt in my lifetime that I would ever, ever say: Canada is at war. My colleagues tell me that the news tonight starts with Peter Mansbridge showing a missile launching. Today in 1991, what have we learned. We have learned nothing. We are at war again when we said war was obsolete.

I have listened very carefully over the last two days to the speeches that have been made by the Prime Minister, by the Secretary of State for External Affairs and I have read them again. I do not doubt their conviction. I cannot doubt their own conviction. Surely no one in my country could take us to this position if they did not firmly believe what they were saying. What they are really saying—and when I read through the speeches again—is that we must have war to have peace. It makes no sense.

Did we give the alternatives the time they needed? I do not believe we did. Did we give every diplomatic option a chance? I do not believe so. Did we give the sanctions enough time? No. We knew that it took about 18 months for the sanctions to work in Namibia. We only gave sanctions five and a half months. There was evidence, contrary to what the government has said, that the sanctions were working. Until August, Iraq derived 98 per cent of its export revenue from the sale of oil. But under these sanctions the exports have dropped from 2,800,000 barrels of oil per day to 60,000. That represented a foreign exchange loss of $2 billion a month to Iraq. We must see that they were losing by the sanctions. Could we not have made sanctions more effective if that was indeed a problem.

Another thing that I have been struck with during this debate is the use of language. Maybe that is something that women notice more than men, I do not know. I have been struck by the language that the government has used and even the language that various members of the opposition parties have used.

One of the phrases that has really grated on me and I have found so hard to understand is this term "a surgical strike". It sounds like a medical term. What is a surgical strike? What is it really? It is launching missiles on people. It is killing people. Why don't we talk about what we are really doing in this place. Why don't we speak about what it is we are really taking part in today. I have heard people talk about Canadian assets in the Middle East, that is Canadian assets going to Kuwait and going to liberate—that is the other term—Kuwait. What are these assets? These assets are our children, our own young people who are being sent to war, being sent to the desert.

• (1810)

I listened to the member for Fraser Valley West and I heard him say that he was not prepared to send his son to die in the desert sands and that unless each one of us was prepared to send our sons and our daughters to take part in this war, that we had no business to vote on this. I agree with him.

I have three sons who are at the age of the people that we are sending there, the people who are going to war in the gulf. I would do everything in my power to prevent my children from fighting in this war, everything. So how can I support the war? How can I say that someone else's sons and someone else's daughters should go and fight

this battle? I cannot do that. I do not want anybody's children to die in this war, not just my own. I do not want anyone there fighting for something so bizarre when we could have used diplomatic measures and sanctions, I believe, to a greater effect and for a longer time.

We have heard also the term the new world order, that we have entered into a new world order. What is this new world order? It seems to me that war is a very old world order. It seems to me that wars fought particularly in this region of our planet have been going on for a long, long, long time and war has nothing to do with a new world order. War is a failure. War is a defeat. I think we must say we have suffered a great defeat for the whole global community by entering into this war.

Have we learned nothing in all of our history, in all of the world's history? Have we learned nothing from the wars that I have seen in my time, the Korean war, the Vietnam war. How many times have we heard in this House of Commons that the war that my father participated in for Canada, the Second World War, was the war to end all wars. Yet there have been countless wars in this world since the end of the Second World War, wars that we have not taken to the serious degree that we are now taking this one, nonetheless wars where people died.

What is it that we are going to do now? What is it that our government is going to do now? We are at war now, but what is the responsibility of the government, of the cabinet, of our Prime Minister, of our Secretary of State for External Affairs? I think that there are options now. I think that the war can be stopped, but I think that Canada must return to the role that Canada has played in past conflicts in the last number of years, where Canada has played the role of a peacemaker, where Canada has had a proud tradition of standing somewhat apart from the conflict but saying there must be nations which are there to build the bridges between nations.

We heard earlier that there are unconfirmed reports that the death toll in Iraq at this point is 350,000 people. If that is true, in the space of less than 24 hours, 350,000 lives gone, is that possible? My colleague tells me that is five times the number of deaths in Vietnam. Is that possible? We asked if there was confirmation coming from the government. This is horror. We are living through a horror. The government has an obligation now that we are in the hostilities, now that the hostilities have begun. Our government must take that role that Canada and Canadians have been so proud of in the past, take that role for diplomatic actions, take that role as a world leader for peace, end this madness, end it now. There is nothing when we talk about support for our Armed Forces. What greater support could we give them than to end the hostilities and end the war before they are hurt or killed?

Some hon. members: Hear, hear.

Ms. Black: I spoke about my own family and other members who have talked about their own children, but is it enough to think only of your own family? Is it enough for us to think now only of Canadians, Americans, and British?

We must think of our globe as our village. We have heard this said before, but the destruction that is going on now in the Middle East is going to have implications for a long, long time in our history. If we worried about the destabilization of the Middle East before—my God, even if the war ends tomorrow, what is going to happen in that area of the world? How are we ever going to build those bridges that I spoke of earlier?

I want to urge our Prime Minister, the Secretary of State for External Affairs, and the members of Parliament on both sides of the House to look toward the diplomatic measures, the peace-leading role for Canada, the role that we must find and that our government must find in order to end this horror in which we are in the midst. The war must be stopped. There are no alternatives than to work towards peace. It is the only sensible alternative and it is the one in which our government should have been taking a leadership role, in all of the ways that I mentioned. I can only urge the government to take that role now and take it quickly.

Some hon. members: Hear, hear.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, I want to congratulate the hon. member for New Westminster—Burnaby on a very fine and moving speech.

When my hon. colleague from British Columbia says that war is a defeat and that war is a failure, she is right. Can you imagine, Madam Speaker, a greater failure on the part of political leaders around the world when they say we have failed to resolve an issue. We have failed to remove that brute Saddam Hussein and now we must turn to the young men and women of the worlds to sacrifice their lives so that they can succeed where we failed? That is the message from the political leaders of the world. We have failed and now young people must spill their blood. I take that very hard.

It is not only we adults and parliamentarians who realize the horrors of war. Just the other day I got a batch of letters from a Sunday school class, grades four and five of Sturgeon Creek United Church in my riding. Do you want to hear what they say, Madam Speaker? These are young children. "I do not want a war because people die." "I do not want war because it kills people." "If it would stop hurting people by war, I would say I would be very happy."

We are dealing with a great issue. I think that we, as parliamentarians, particularly in the opposition—and I respect the decision of the government—have an opportunity and a responsibility to provide an alternative. The alternative to war, in my opinion, is to continue with sanctions.

• (1820)

Why does my hon. friend from British Columbia think they gave up on sanctions? There is ample evidence that they were working, if they were only given time.

Ms. Black: I would like to thank my colleague from Manitoba for his question and his comments.

As to why they gave up on sanctions, it was a mindset from the beginning to go to war. It is very clear now.

I want to read into the record comments that were made in the House of Commons on September 8, 1939. That was a very significant date in Canadian history. It is a comment made by the founder of the CCF, the predecessor of the NDP, Mr. Woodsworth. He said:

> While we are urged to fight for freedom and democracy, it should be remembered that war is the very negation of both. The victor may win; but if he does, it is by adopting the self-same tactics which he condemns in his enemy.

I think those words are as relevant today as they were in September of 1939.

Mr. Murray W. Dorin (Edmonton Northwest): Madam Speaker, I would like to ask the hon. member a question. Before I do, I would like to quote from a couple of articles which appeared a week or two ago in newspapers.

An article in *The Globe and Mail* of December 19 states: "—forms of torture and abuse, including beatings with canes, metal rods, whips, hoses and other implements, breaking arms, legs or ribs, extracting finger and toe-nails, cutting off tongues and ears, gouging out eyes, castration, and the rape of women and young men. I know definitely about a young Kuwaiti friend who was taken out of the family home at night. Then the family was taken out of the house and forced to stand there while brothers and cousins were shot."

One of the things that bothers me about the sanctimonious speeches we are hearing from that member and her party is the suggestion that there was no aggression and that by waiting there was no price.

How long was the hon. member prepared to wait? If she wanted to suggest that there should be no aggression, I would like her to respond to these reports because, while they may be to some degree unconfirmed, we know there was aggression going on. We know that Saddam Hussein, as the Secretary of State for External Affairs indicated yesterday, was making further preparations for war. How long was the hon. member prepared to wait and see these things go on? Was she prepared to wait forever?

Ms. Black: Madam Speaker, I do not believe that my speech was sanctimonious at all and I take great offence at that comment.

Some hon. members: Hear, hear.

Ms. Black: I spoke from my heart and I spoke to my beliefs. It was not sanctimonious.

I would ask the hon. member, if he speaks for the government, if 350,000 have been killed in the space of 24 hours, how long will this madness go on? We must find a solution to the madness of war.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I would just like to make a comment on the hon.

member's speech. I would agree with her that sometimes, when we want to help those who have been hurt, we do the same.

I would like to mention what happened in the Second World War. At the end of the war the American Air Force bombarded Dresden and over half a million people were killed. The war was over and the Germans were no longer able to fight. What happened? Half a million people were killed in three days.

I think if we wanted to help the people in Kuwait, we should have continued with sanctions. Sanctions were working. There are all indications that it was working.

As I said yesterday, I had spoken to an American senator who just come out from a briefing with President Bush. The CIA had informed them that the gross national product of Iraq had diminished by 40 per cent. It means that sanctions were working. The war machine was slowing down. We should have waited. This was the way to go, and not to start bombardment of innocent people and children.

So, I do agree with the hon. member and I would like to congratulate her on her speech.

Mr. Ross Harvey (Edmonton East): Madam Speaker, I say again, if I may: "The victim may win; but if he does, it is by adopting the self-same tactics which he condemns in his enemy."

What I have heard Mr. Hussein accused of most in the House is butchery. What we, with our allies, are engaged in in Iraq, is butchery.

I would ask the hon. member, this House and this nation: How much more butchery will we commit before we say: "No! The war must stop!"?

Some hon. members: Hear, hear.

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, I want to thank the hon. member, too, for her speech. I really do think it was from the heart.

The hon. member was present in Question Period today and heard the Minister of National Defence say explicitly that he felt that it was better to fight under an American flag, rather than under the flag of the United Nations.

I am hearing from people in my constituency that they support what is going on because they felt that what is going on was under the auspices of the United Nations and that the fighting was under the flag of the United Nations.

I think the House was shocked today when we heard the Minister of National Defence say that he felt it was better to be fighting under the flag of the United States. Does the hon. member agree with that?

Some hon. members: Oh, oh.

Ms. Black: Madam Speaker, I thank the hon. member for his question.

I would like to comment on the comment that was made about Dresden. Is this what we are going through again? Are we going through this madness and overkill again when we are being told by the media and by the Pentagon that the whole infrastructure of Iraq—the war machine in Iraq—is gone and destroyed? Is this what we are going through again? Is this genocide that we are actually seeing?

In answer to the question about the war and the flag, we must stop the war. We must stop the war.

Mr. Peter L. McCreath (South Shore): Madam Speaker, I am very pleased to have the opportunity to participate in this debate and to support fully and unequivocally the motion before the House. I offer this support for three reasons primarily.

First, I believe that international peace and security are in the best interests, not only of the world, but of Canada.

Second, I believe in the sanctity of the rule of law as a principle for relationships among the nations of the world, as well as within nations.

Third, I believe that the United Nations is the best vehicle, indeed the only vehicle, for the attainment of international peace and security and the rule of law among nations. Without an effective United Nations and without the maintenance of the rule of law and international peace and security, who knows what kind of chaos the world would degenerate to? The will of the mightiest would prevail. For small countries such as Canada, this could be indeed very perilous. Who knows what such a circumstance would yield for us?

Canadians enjoy a marvellous quality of life. We are an affluent country with abundant resources. In a chaotic world, who would know what the future would be like ahead for us?

• (1830)

It is important to understand and important to remember that this debate is first and foremost about whether or not Canada is going to stand with the United Nations as it has for 45 years. It is important to understand the powers and the role of the United Nations that were attributed to it by its founders in 1945. The predecessor to the United Nations was the League of Nations, and it failed. In the final analysis it could only tell aggressors what to do. It lacked the power to enforce the decisions that it made.

The founders of the United Nations learned the lesson of the League of Nations and its failure. They learned that there was no point in the new United Nations having rules unless it had the capacity to enforce those rules. They recognized that the role of the United Nations must be to arbitrate, to conciliate, to negotiate and to impose sanctions. In the final analysis, if necessary, if all those previous processes failed to achieve the objective to impose its collective decisions by force and it did, in Korea, some 40 years ago with the full support of Canada.

So it would seem the world and the United Nations have again been faced with an aggressor, an aggressor who will not listen to reason, who scoffs at United Nations resolutions overwhelmingly supported by the countries of the world, who allows sanctions to starve his poor, his people, but not his armies, who arbitrarily and without provocation invades another country, declares it his own, steals from its people, wreaks rape and pillage and murder upon them. In the interest of all that is right, this man must be stopped.

If the United Nations can do no more, then tell him to behave himself or tell the nations of the world to wait until he stops, hoping that sanctions might work, then the United Nations is reduced to ineffectiveness. But the United Nations does have the authority to go the final step and declared, some 50 days ago, that January 15 was the deadline for withdrawal of Iraqi troops from Kuwait. Because that withdrawal did not occur on time, there was simply no alternative to the option of force, to remove the Iraqis, free Kuwait and re-establish international order.

If the nations of the United Nations, including Canada, are not prepared to back up the United Nations in action like this, then we ourselves become the destroyers of the United Nations. Quite frankly, it is as simple as that.

Since the founding of the UN in 1945, no nation has more consistently supported the UN than Canada because Canadians believe in the UN and what it stands for. It is both obvious and appropriate that Canada should stand with the UN on this issue as it has on so many others.

It is interesting to note that 29 countries of the world have not only supported the resolutions of the United Nations concerning the Iraqi invasion of Kuwait, but have sent forces to the gulf where they are now on active service. The countries represented in the gulf are from all the continents of the world, from varying political persuasions such as Liberal, Democratic and Socialist; countries as varied as the United States and Bangladesh, England, Czechoslovakia, Senegal, Italy, Argentina, New Zealand, Australia, France and of course, Canada. Some have suggested that if the shooting started, Canada should have walked away and withdrawn. Indeed, I had a few phone calls from people in my constituency suggesting this course of action. They stand for peace at any price it would seem.

In 1938 that was called appeasement. Those people's views are sincerely held. Their representations were made to me in a sincere manner. I respect their views, but I believe they are wrong. I believe the majority of Canadians agree with me and will support the position taken by this government on this issue. So long as you give into the bully, you will live at his mercy and be controlled by it. You will no longer be a free person or indeed, a free nation.

To those, including those opposite, who by their posturing and proposals for inaction recommend appeasement, I say you are wrong, as do those Canadian people who remember 1938 and 1939 or who have studied their history or who believe that the United Nations is the best vehicle for the preservation of international peace and security. The rule of law will judge you so and will say that this government, this Prime Minister and the majority in this House have indeed shown leadership and have acted in the best interests, not only of the world but of Canada.

There is a second message that goes out from our support of this resolution today. That is the message to the men and women of the Canadian Armed Forces, both those now in the gulf and those who may soon be called upon to go. In so going, they will put their lives at

risk in the fulfilment of their chosen professional responsibilities. The message quite simply is that we as Canadians are proud of you and are with you all the way.

At least half of those Canadians now serving in the gulf are residents of Nova Scotia. I can say to those courageous and professional Nova Scotians that my party and my government support you all the way. We are proud of the record of performance you have shown during the first five months of this crisis, a record of effectiveness second to none in the gulf.

We know you did not want a war. We know it is a time of fear and challenge for your families, and we know indeed it is a time of fear for you. But we also know the courage and the determination you are demonstrating in carrying out the responsibilities and actions for which you have undergone training, in some cases for as many as 20 or 25 years. We want you to know that Canadians are proud of you. Canadians thank you and your government will stand with you. We ask all Canadians to think of these people and their families and to support them. And we ask the Almighty to make this conflict one that will last no longer than absolutely necessary.

Ms. Mary Clancy (Halifax): Mr. Speaker, I address my question to the hon. member for South Shore. I listened to a number of members on the government side today talk about the atrocities in Iraq, all of which are deplored by every member of this House.

There is no question that every member of this House deplores the activity of Saddam Hussein, deplores the human rights violations and the unmitigated savagery that has taken place. But some of us who have a very strong feeling that sanctions were not given a chance also have some difficulty with our so-called allies under the United Nations. I do not think anyone in this House would be prepared to say that membership in the United Nations gives a certain cachet that would be in keeping with the beliefs and the standards that most Canadians hold.

I would like to ask the hon. member for South Shore, in his party's delineation of the atrocities perpetrated by the Iraqis if he could tell us about the actions by, for example, President Assad of Syria, our alleged ally in this endeavour.

Mr. McCreath: Mr. Speaker, I would like to thank my hon. colleague from Halifax for raising these important questions. She spoke of the atrocities and the fact that all members of this House condemn the atrocities that have been going on in Kuwait and committed by the Iraqis.

She said more time should be allowed for sanctions to work, and that raises certain questions with me. First of all, the longer you wait for sanctions to work, the atrocities continue in Iraq. I believe that those atrocities have gone on long enough and should be stopped.

Second, we have heard evidence presented before this House by the Secretary of State for External Affairs to the effect that there is no evidence whatsoever that sanctions are having any impact on the military capability of Iraq. There is no question. Sanctions are hurting the people of Iraq. There are young people starving. There are old people starving in Iraq. The sanctions are hurting the people of Iraq but they were not negatively impacting the army and that in the final analysis is why it was time to move on to the next step, even though it was not one that people would likely or willingly choose to proceed with.

There is a second question that should be raised about sanctions. From the date that resolution 678 passed the United Nations, a resolution thoroughly supported in the United Nations, it was well known from that day that January 15 was the date upon which either Mr. Hussein would have his forces out of Kuwait or which there would be military action.

There is no question who made the decision. It is great for members opposite to blame the governments of the alliance for the outbreak of hostilities in Iraq, but let us not forget the record is unequivocally clear that the line was drawn and if you start moving the line, you simply allow this man to continue the desolation he was committing to Kuwait and who knows where he was going to go next. My hon. friends suggest we should have given more time for sanctions. Would that not be interesting. The sanctions continue, the war begins.

• (1840)

I would like to hear from them the logic of having Canada continue the sanctions while the other 28 nations go to war. Are they suggesting that Canada is the sole decision-maker in this situation? We are talking, quite frankly, about the fact that several months have passed, several resolutions have passed. The nations of

the world are united on this issue unequivocally and Canada seems to be the only one in which there are opposition parties that have wisdom that go beyond the wisdom of the nations of the earth, including the 28 or 29 nations that presently have troops in the gulf.

I think the comment was made earlier this day in this House that some of our friends opposite live in the ideal world but regrettably governments live in the real world, must govern in the real world, and thank goodness for Canada that we have a government that has the courage, the integrity and the commitment to do what is right for Canada and right for the world.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Resuming debate. I will now recognize the hon. member for Peterborough, for a ten-minute speech.

[*English*]

Mr. Bill Domm (Peterborough): Mr. Speaker, I would like to start out by reminiscing back to the thirties and forties, a time which many of us in this House can remember. While attending school I can remember the war starting. I can remember the war finishing. The thing that stands in my mind at this time when I am trying to assess the position I would take in this particular war is what happened during the thirties and what happened during the forties.

I recall that the United States, the one that seems to be getting the brunt of the criticism here from some opposition members, was very slow to get into that war that we are all so saddened with, having lost relatives in the war, and how much better it would have been if one of the strongest world powers would have had some interest in getting into the war two or three years sooner than it did.

What is happening today is just the opposite. One of the strongest world powers today, the United States, a member of NATO, a member of the United Nations and a strong supporter of the United Nations, is getting into the war as one of the first, one of the 28 countries in the United Nations, to my knowledge, that presently have a force over in that country which we are debating.

I think that it is in retrospect a better comparison that our friend, one of our best friends, one of our best allies, our major trading partner, if we want to discuss economics for a moment, from whom we both enjoy, Canada and the United States, a long relationship of friendship. I am pleased that the United States is our ally and is part of the confrontation that is going on now over in the gulf.

I think that history repeats itself in many ways. I remember back in the thirties, prior to the war, when over in the United Kingdom they were taking plebiscites. There were peace activists out marching in the late thirties and they were urging the United Kingdom to disarm and set themselves up as an ideal situation, sort of an idealistic view. We have heard some of those here today as well whereby because they disarmed and because they would not participate in war, somehow or other that would stop some of the atrocities that were happening in Europe.

We watched then a dictator, an almost if not totally, insane person walk over many of the countries in Europe while we all sat idly by, except the Commonwealth. We are fortunate in one respect, in retrospect, that Churchill would not disarm. We are fortunate that he thought that they needed air power and ships. Canada at that time was very strong in those areas too. We were one of the largest, if not the largest, commercial shipping countries with warships is the world, a great contribution to a Commonwealth gathering.

But then the League of Nations was sort of in disarray. The League of Nations did not have the power that the United Nations has today, did not have the support of as many countries as the United Nations has today.

This is a difficult subject for me, because I have lost friends and relatives in wars. I feel much better today than I felt as a student back in the 1930s and 1940s when our greatest ally the United States was slow to act and become involved. The League of Nations was literally inoperative from a combatant position.

What we are really doing here today is looking first at the position of the government. Each of us, in his or her own heart, is trying to determine whether we support it.

I will tell you right now that I am voting with my conscience, as I do on a lot of issues. I am not known to be an avid supporter of every bill that our government brings in. I have been in opposition and in government, both about the same length of time. I find that I can live with myself if I vote with my conscience on the issues

that I support, and I vote against the government from time to time, if necessary, on matters that are not financial. I think that is part of our Commonwealth system.

Here I am toying with whether I would be more comfortable personally by voting for the motion or against the motion. I honestly feel that I would be doing a great disservice to law and order, to civil liberties, and to the power of the United Nations if I voted against the United Nations' decision to set the deadline with 31 countries supporting it and 28 of them over there with troops.

We are not a major contributor to the armed forces at the moment over there, but based on the size of our country we are making a considerable contribution on behalf of the resolutions supported by the United Nations, including the eastern bloc. Who would have thought I would have said that I am on the same side as the U.S.S.R. five or six years ago?

Who would have thought that many of us in this room would have said that, except maybe a few? This is not an easy decision to make. I have come to the conclusion in my own mind that, rightly or wrongly, we are partisan. We are in politics, and I take political positions.

I have analyzed the political positions of the Official Opposition. I have looked at the positions taken by some of my friends in the NDP and I have taken a look at our Conservative position. I am going to support the Conservative position because I think it is the right one.

What is the Official Opposition position? It depends which of the right honourables you listen to in the Official Opposition, Mr. Speaker. We have the fortunate opportunity to assess two leaders as the opposition does of us. We have two right honourables in the House of Commons. They have two right honourables in the House of Commons.

Mr. Duhamel: We only have one right honourable.

Mr. Domm: I thought they had a former Prime Minister leader and I thought they had a present former Prime Minister leader.

Mr. Duhamel: But only one right honourable.

Mr. Domm: Which one then, sir, of yours is the right honourable?

An hon. member: Mr. Turner.

Mr. Domm: All right. You have one right honourable and perhaps one former?

An hon. member: No.

Mr. Domm: You have one former right honourable and one present—

An hon. member: Only one.

Mr. Domm: Only one leader.

Let us take the two leaders of the Liberal Party, and let us look, first, at the position of the present Leader of the Official Opposition.

In a quote from a very recent *Hansard* dated January 15, the present Leader of the Official Opposition said:

> —and our troops should be called back if there is a war—
>
> Of course, if there is no war, our forces should stay there. They are present to enforce the embargo and the sanctions, and they should be there. If there is a war tonight, tomorrow or some day later, the minute there is a war, there is no more embargo, and they all come home.

• (1850)

A former leader in the House of Commons, the right hon. member for Vancouver Quadra said that:

> Even if the case for sanctions could be made, and it is a strong case, the issue today is not sanctions. The issue today is whether the United Nations resolutions will be obeyed. It was the United Nations that decided the date. It was the United Nations that decided not to wait for sanctions, and it was the United Nations that imposed its own deadline.

He went on a little further to say that we have never treated it as merely a talking shop.

As Canadians, we may have lost some idealism but we never lost faith in the United Nations.

The issue is one of which I had to break silence. . .I believe that this Parliament has a duty to support the United Nations resolutions as those texts are written and, therefore, the resolution before this House.

I admire men like that. I have to say that, and I have never said that before about a member of the opposition while sitting in this House, but I have to admire a

member of the House of Commons, no matter which side of the House he or she is on, who has the fortitude to stand up in the House of Commons and tell people—

[*Translation*]

The Acting Speaker (Mr. DeBlois): I must ask the hon. member to conclude since his time has now expired.

The hon. member for North Island—Powell River has five minutes for questions or comments.

[*English*]

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, the term bully has been thrown around numerous times and without the opportunity to justify anything that Hussein has done, it would have to be pointed out that two billion people in the world at this moment are arrayed against 17 million led by the United States. The United States is the major participant, along with Britain and France. They have now killed 350,000 people and destroyed the military infrastructure of Iraq. Iraq cannot respond.

In 24 hours, more Iraqis have been killed than all the Canadians since the start of the century in wartime. We are looking at a situation where it will be 650,000 or 700,000 tomorrow, and a million the following day. The capacity to commit atrocities is gone. The capacity to fight a war is gone. The only thing that can happen from here on in by the policy of this government to support the United States in continuation is butchery.

Would the member who stood up communicate immediately with the Prime Minister and ask him to phone George Bush and ask him to stop the bombardment?

We are dealing with a madman. The madman does not understand the nature and quality of the acts that have been besetting him. Allow the Iraqi people time to put him out, sue for peace, and prevent the needless slaughter of Iraqis. Half of that population is under 14 years of age. That is who is being killed now.

Would the member communicate immediately with the Prime Minister to verify the casualties to date and ask the Prime Minister if he will phone Bush and stop the insanity? If that does not happen, we have to ask who is the madman, or madmen?

Mr. Domm: Mr. Speaker, I do on occasion, as often as I can, communicate with the Prime Minister. The last letter I wrote to the Prime Minister was on December 18. At that time I said that I had in my hand the report of Amnesty International.

Amnesty International details how Iraqi forces have tortured and killed many hundreds of victims, taken several thousand prisoners, and left more than 300 premature babies to die after looting incubators from at least three Kuwait City main hospitals. The report catalogues 38 methods of torture used by the Iraqi military, including cutting off people's tongues and ears, shooting them in the limbs, applying electric shocks to their bodies, and raping them.

Now, you answer your question as—

Mr. Skelly (North Island—Powell River): Mr. Speaker, I rise on a point of order. I appreciate the response. Could the hon. member explain qualitatively what the difference is between what the Iraqis did on a smaller scale and killing all the people. Is it revenge he seeks?

The Acting Speaker (Mr. DeBlois): It is not a point of order.

Mr. Domm: Well, I do not argue with the hon. member's right to want to debate. I am sure he will be given an opportunity to debate. In fact, I have heard him speak once already in support of the Iraqis in trying to save that country from further atrocities by stopping the war.

I wonder how many atrocities we could have stopped in the Second World War if we had not participated, if we had all become peacekeepers, and if Hitler was allowed to march from one end of the world to the other. The point of the issue is this: When in world history—I say this to the NDP—have we had unanimity on an international body including the eastern bloc, the western alliances, NATO, and NORAD? When in our history or our lifetimes have we ever seen such unanimity in bringing this man to a stop? I am talking about Saddam Hussein.

I think we are doing, contrary to what the hon. member feels, exactly what the majority of the Canadian people want us to do. I intend to vote for the motion. I know the hon. member has no intention of supporting war if he was doing the same thing as he has been doing since last August, and no matter if he did it for another

decade I know his objectives. I have been raised and lived with them, but I do not support them.

I think there comes a time for law and order. There comes a time to protect human rights. There comes a time when we need to unite as a force strong enough to repel the aggressors, the dictators, the people who want to rule the world.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, at the outset of my remarks I want to mention a couple of facts on which there is agreement.

No one in the House on either side of the House wants war. No Conservative, no Liberal, no New Democrat. None of us in the House want war. We all agree on that.

We also agree that Saddam Hussein is a brutal dictator and he must leave Kuwait. We all agree on that.

We also agree now that the government has made the decision to join the hostilities to enter into the war, all of us—to the last man and woman in this House—support our troops. We support our troops and I challenge anyone in the House to say that I and particularly my fellow Liberals do not support our troops. We do.

I found it a little disconcerting when I heard earlier today a member from the government benches express concern about division in the House because it might be construed, particularly by our military, as a lack of support. Let me make it absolutely clear that I have far more faith in our soldiers than that kind of remark indicates.

I know in my mind that Canadian soldiers understand very well what Parliament is about and what the House of Commons is about. This is a place to debate issues, to deal with our differences, and to propose alternatives. This is what the House is about.

When it comes to a major issue, an issue that commits this country to war, an issue that commits our troops to a conflict where their lives are at risk, of course there are going to be questions and of course there are going to be disagreements. But that in no way casts any doubt on the ability of our soldiers, and casts no doubt whatsoever on the support that we give our soldiers, sailors, and airmen as well. Everyone in our military deserves full support, and they have our support.

• (1900)

Let us get to the matters where there is disagreement. First of all, international forces comprised of approximately 30 countries have decided to wage war. They have decided that sanctions were not working. They decided that the only way to get rid of Saddam Hussein, to get his troops out of Kuwait, was to wage war. That is where we Liberals disagree.

We disagree that this is the time to wage war, because there is nothing more horrible than the decision to wage war. War is murder. War is mass slaughter. It is carnage on the grandest scale. It is the method of settling disagreements. It is the method of last resort. In our conscience and in our hearts, we firmly believe the time has not come to wage war. It is as simple as that.

We looked at the results of sanctions and came to the conclusion that the sanctions, the embargo, had not brought Saddam Hussein down; he was still in Kuwait. We saw a strong indication that sanctions were working. They were warranted to continue and they should have been given more time. That is our position. That position is held firmly.

War, as one of the earlier speakers said today, is an indication or example of defeat and failure. War does not have a good track record. We know that there have been times in history—the Second World War is a good example—when there was no alternative. I suppose it was the best of a bad lot. But anybody who is a student of history, even a student of the rudiments of history, will understand that war is horrible and a failure. We should learn something by looking at history. We should learn, if nothing else, to search for something better than war.

We on this side, in a heart-felt opinion, feel that the use of sanctions in this particular case was an alternative and that sanctions deserved a good try. We should have exercised patience. That is why we disagree. It has nothing to do with canards that come sailing from that side of the House about possible lack of support for the United Nations. We support the United Nations to the hilt. I challenge anyone from the government side to say otherwise and to prove otherwise.

There is a second area of disagreement. I respect the government. It is a judgment call. I am quite sure that members of the cabinet had difficulty reaching the decision. The decision was to commit our troops and nation to war against Iraq, to enter into hostilities. That is the responsibility of the government, and the government has exercised that responsibility. We respectfully—and I underline the word respectfully—disagree with the

decision. Why? It is because I look at this country and I ask the question: Who are we? Who is this country? What is this country called Canada? What is our history? What are our traditions? Where do we come from? What is our track record?

I have only to go back a few years. It might be embodied in what is called the Pearsonian tradition, a tradition established by a Prime Minister of this country, an absolutely outstanding Secretary of State for External Affairs back in the 1950s. If that man had chosen the easy way out, he could have supported the British and supported the French at Suez, but he showed some strength, some vision, and said to the world: "There must be a better way". He chose a better way. He articulated a better way, and the world saw wisdom in that better way. And Lester Bowles Pearson won the Nobel Peace Prize for that effort. That is where the Pearsonian tradition started.

Mr. Pearson was the Prime Minister of Canada, when the President of the United States, Lyndon Baines Johnson, decided to escalate the Vietnam war. Did Mr. Pearson join the Vietnam war with alacrity, with enthusiasm? No, because he saw a better role for Canada, a better alternative.

I think it is very easy to align with a superpower, to align with what is perhaps, at the given moment, the popular opinion. It takes guts and it takes toughness to offer something that is different, something that is perhaps not that popular at the moment. But Mr. Pearson offered an alternative and he showed wisdom.

That is just a part of our tradition. Let us look at it another way and remember that I asked the question: Who are we Canadians? We are a small country. As a military power we are diminutive, tiny. We are small potatoes when it comes to a military power, particularly when we compare our military power to that of the United States or the Soviet Union.

When it comes to a world problem like the conflict in the Persian Gulf, should we choose a military role? Is that the role where we can make the most significant contribution? I suggest not. Given the size of this country, the resources of this country, the tradition of this country, and the history of the country, we should be peaceseekers. We should be looking for a peaceful solution to this conflict and now to this war. It is not easy. It will try our patience, but I think it is absolutely compelling on the part of this country to choose that kind of a role.

Another thing is that there are many dimensions of war, not just the fighting dimension—and this has been pointed out by other members of this House—such as the military dimension, the humanitarian dimension, the negotiating dimension, and the possible truce dimension or the actual peace dimension. There is a whole range of dimensions. That is where we as a country should be fitting in.

• (1910)

As far as I know, the war is not going to go on forever. Somebody is going to have to engage in talks. Somebody is going to have to engage in negotiations. If there is a truce effected, somebody will have to be a party to that truce. Somebody will have to maintain the true and help with that truce. The same goes with peace.

Is there a better country in this world than Canada? I suggest not. I think about the government's decision and, as I say, I respect the government's decision. But, truly, I say to myself: given our history and our traditions and what we might be able to contribute and offer, I think we have let ourselves down and the world down. I expected better. I wanted better.

Let me address for just a moment the application of war which I have said earlier is an example of defeat and failure. Another thing about war is that there is absolutely no guarantee it will produce the desired result. There is no guarantee that when we enter into war, we are going to get what we want.

When it comes to this war, even though I do not share in the decision, what do I want from it? Just like the Conservatives across the way, I want it to be short, I want it to be decisive, and I want Saddam Hussein out of there. I pray to God that there will be few casualties, that all our men and women in that theatre of war will come home alive, and that none of them comes home in a so-called body bag. That is my desire. I am sure that that is the desire of every individual MP in this House. Is there any guarantee that that is going to happen? There is no guarantee.

I wanted to point these things out because there seemed to be an indication floating from the other side that these things would automatically come about because we are all powerful, we are right, and God is on our side. The fact of the matter is that this war could be very protracted. There could be thousands upon thousands of casualties. If early reports are any indication, there have already been thousands and thousands of casualties on the Iraqi side.

Aside from the military part of it, is there any guarantee that we are going to get the political result that we want? Sure, we could knock off Saddam Hussein. We could destroy his armies. We could have an Iraqi pull-out from Kuwait. We could win that particular battle. But, can we win the political war in the Persian Gulf? Can we win the political war in the Middle East? That is in doubt. When I look at what is taking place in the Persian Gulf or in the Middle East in the last 40 years, I say that it is problematical at best. My worry, after we unleash the dogs of war, is that there will be an unbelievable destabilization of politics in that particular part of the world.

God only knows where war will take that region of the world. I do not know, but it worries me sick. In roughly the last 40 years, there have been what, five wars in the Middle East? Is this number six? Could there be a seventh, an eighth, a ninth?

I simply remind hon. members of this, because there is just no guarantee that we are going to get what we want out of war.

In my final remarks, I want to say that, as a member of the Liberal Party and of Parliament, I wish we were not a party to this war at the moment. I think we could have found a better way. It is a judgment on my part, but I think that we were on to a better way and should have continued with economic sanctions.

I will tell you, Mr. Speaker, my thoughts and my prayers are with every man and woman in our military operations in the Middle East. I say: Godspeed. I wish you luck, and I hope you come home soon and in good health.

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I have watched this debate throughout the past several days, and I have had a great amount of difficulty in putting down on paper the words that I think most appropriately express one's true feelings with respect to the subject matter at hand.

As a result of that, I will not likely take the opportunity given to me to formally make a presentation to the House of Commons.

I would just like to make some comments that to a degree parallel the comments made by the previous speaker. I am not aware of any residents from my constituency who are directly involved, which should not for a minute make the trauma of the subject any lighter. As we have heard in the House, there are people whom we know and whose families are directly involved. As a result of that, we share the emotions that they must certainly be feeling.

There was a comment made earlier about how people intend to vote on this and how they are inspired to vote. I have given that some thought, and my comments relative to that particular subject are that essentially my hands are tied as to how I will vote. They are tied by my conscience and nothing else.

I have not been asked or told to vote in any particular way, but I think really and truly if one sits back and analyses where we are today and deals with the subject matter before us seriously as we must—if it was not before us seriously I am sure we would not be talking about it—we must, I think, vote with our conscience.

Those who have fought in wars before this one have paid the price. All the costs when rolled up together either by way of loss of life, psychological well-being, the loss of family, or the loss of family time together nevertheless spell a cost that has been paid for by and given toward wars of the past. For what purpose? For the purpose of peace, I say to you, Mr. Speaker.

Peace is not the sort of thing that, once attained, can be maintained without some additional costs. We are experiencing one of those costs unfortunately and regrettably today.

In the war that is currently going on, I understand that some references have been made to some rather significant losses of life. I further understand that these losses of life are directly attributable to military action on both sides, not that that loss of life therefore is justified any easier.

For those who are trying to put emotion into the debate and are saying that this represents a loss of life of children and of those not affected with the military conflict when all is said and done, we do know the facts. We will find that perhaps a major portion of the death is attributed to the military. I do not feel any better having said that, but I just simply to explain it. I believe that if you were to take everyone's position on where we are today, you would find no major divergence of opinion as to where we should go from here. There is some

divergence of opinion admittedly, but I think essential the matter before us suggests that perhaps blame should be associated to those that got us where we are today. I do not think that is productive and I certainly will not pursue that avenue at all because I think it is a waste of time.

• (1920)

I think that the solutions that have been placed before us by some people are based on an environment outside of an issue that we are familiar with and perhaps should be taken somewhat lightly. I think we have the integrity of the United Nations which has been placed before us and which has under its control the finest military force in the world. As a result of that our confidence should be placed in those who are making those kinds of decisions.

You are encouraging me to put a question before the speaker, and Mr. Speaker I intend to do that right now. I would like to ask: Have the solutions that have been proposed before this House of Commons in these past couple of days been based on poor, little or no information of the actual reality that exists?

Mr. Harvard: Mr. Speaker, I am not exactly sure whether I am clear on the question. If he is asking the question of whether the government has based its decision on certain information and certain documents, of course I am in no doubt whatsoever that it has had talks with people all around the world, is privy to certain information and has decided for better or for worse to join hostilities to commit the country to war. I said earlier that I respect the decision. It is a judgment call.

If I had been, say, the Prime Minister, I would have said: "No, that decision should not be made now. Maybe sometime down the road, I do not know when but maybe we would have no choice". But at this particular juncture, in my considered opinion and certainly in the considered opinion of the Official Opposition, despite anything we have heard, the war option was the first choice at this time.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, by way of commentary I find myself in agreement with many of the points made by the member for Winnipeg St. James, specifically his opposition and our opposition to this war at this time. We believe that sanctions should have been given time to work. But there is no question, as the hon. member pointed out, that we are in full support of our young men and women in the gulf who are not only carrying the Canadian flag but carrying our hopes that they will be coming back safe and sound.

The point that we are debating here, support of the UN resolution, is a moot point because now our nation finds itself at war. Of course, we all support the United Nations. I doubt very much if there is anyone in this House who would oppose the objectives of the United Nations. I for one over the years have championed the cause of this august body.

I find that there are some problems arising. I would ask the hon. member for Winnipeg St. James perhaps to address two questions that I might put to him. I believe myself that the effect on the peacekeeping ability of Canada will be impaired because we are belligerents in the Middle East and that it will have an effect on our ability to be the peacekeepers a little later on. I wonder if he could address himself to that point.

Second, I wonder if the hon. member would be in agreement with me that there should be a Middle East conference to discuss all of the problems in the Middle East, including the Palestinian-Israeli problem at the earliest possible moment.

Mr. Harvard: Mr. Speaker, I want to thank the hon. member for Welland—St. Catharines—Thorold for his questions. Let me deal with the first; whether our peacekeeping ability has been impaired because of this decision. Of course, it has been, because we have become belligerent. When the time comes for negotiation, and for bringing about a truce and maintaining the peace, we cannot be there. Who is going to accept us? I would doubt very much whether the Iraqis would accept us. I think I would be very, very surprised. So, some other country around the world will have to be found. Yes, I agree with the hon. member, I think our peacekeeping ability has been impaired.

On the second question, which is a bit more sensitive because of the word linkage, I would answer it this way: I do not think there is a doubt in the world that if genuine peace is ever to come to the Middle East, before that genuine peace comes, there will have to be talks. Enemies will have to talk to each other. There will have to be negotiations and, yes, some time down the road there will have to be a conference. I do not know how

you can change things without first discussing the matter. However, linkage conjures up all kinds of things.

I do not favour, and I eschew, or I would avoid linkage at this particular time because if you link the settlement in Iraq with the wider problem in the Middle East, it will appear that Mr. Saddam Hussein has been rewarded. If I will go into Kuwait, I will get the Israelis to negotiate. I will get somebody else to negotiate. I will be rewarded. And so, I would say that under the current circumstances I would like to avoid linkage. Some time down the road when things are settled down, yes, nations, diplomats and politicians will have to talk to each other.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I would like to point out some of the facts involved in this Middle East crisis.

As we know, the Middle East has been a powder-keg of conflicts for many, many years, a powder-keg of conflicts when first the United Nations created the two states, Palestine and Israel. The Israel nation was born there and the Israelis have created a homeland for themselves. But the Palestinian people were not given the opportunity to have a state of their own. As years passed by, many resolutions of the United Nations suggested that its original resolution should be respected and the Palestinians should be given a homeland.

In 1967, Israel occupied the West Bank and Gaza and took away the homeland of the Palestinians. The United Nations had many resolutions to create a home for the Palestinian people. There was always an objection from Israel, complaining that it did not feel secure in its borders, and from the United States that vetoed in the Security Council the formation of a Palestinian state. Many nations requested that there should be a peace conference on the Middle East and there was always a veto in the United Nations.

• (1930)

Many years later, Israel invaded a democratic country, one of the forward-looking countries in the Middle East, Lebanon. The United Nations condemned that invasion, but nobody seemed to want to help the Lebanese.

So Lebanon, for the last eight years, has been in an unstable situation. Before that, it was called the Switzerland of the Middle East. It had a thriving economy and an excellent banking system. It was a country that was an example of freedom of democracy in the Middle East.

We can ask ourselves why countries, which today seem so outraged by the invasion of Kuwait by Iraq have created a war that is devastating for Iraq as well as for Kuwait. If the reports are right, I have just heard that Tel Aviv has been hit.

Why did those countries refuse a dialogue, a peace conference on the Middle East? Why did the United States and Israel not want a solution to the problem that exists in the Middle East?

Iraq, by the annexation of Kuwait, certainly committed an international illegality. But we should have waited for the sanctions to work. The sanctions, imposed by one of the first resolutions of the United Nations, were working.

I had the occasion three weeks ago to meet a senator from the United States in Washington who had just come out from a briefing and a talk with President Bush. He indicated to me and others that the sanctions were working; that the Gross National Product of Iraq had diminished by 40 per cent; and that this was a country where the sanctions really could work because Iraq had no access to the sea and very limited access to the gulf. It has Saudi Arabia on the one side, Jordan on the other, and Turkey and Iran. It is a country which can be closed. Therefore, it was an ideal situation for sanctions to work.

But those who opposed a peace conference in the Middle East—especially Israel and the veto in the United Nations Security Council—wanted to go to war. This is what happened.

Now one can say that the Middle East crisis is taking place at the same time as the Soviet Union is returning to a much harsher political system. As we know, the Soviet Union is now fighting the democratic governments of Estonia, Latvia, and Lithuania.

Why is the world not outraged by the actions of the Soviet Union in the Baltic states? Those Baltic states were annexed by the then dictator of the Soviet Union, Joseph Stalin. He annexed those countries and we, in the west, have never recognized that annexation.

What we hear from the government side is that we have a new order and that the Soviet Union is supporting the United States in the Middle East. Certainly, it is supporting the United States in the Middle East because the United States had to withdraw most of its armed forces from Europe to send them to the Middle East.

The same thing happened in 1956 when Hungary was looking to a democratic society. At that time, the Soviet Union invaded Hungary and crushed the new democratic government of Hungary, and the west abandoned Hungary because it was preoccupied with the Suez crisis.

The same thing is happening today. The western powers have concentrated on the crisis in the Middle East and the invasion of Kuwait. At the same time, the Lithuanian people and the new democratic governments of Latvia and Estonia are being crushed by the tanks of the Soviet Union.

Even so, the Government of Canada and the House had a unanimous resolution to condemn those actions of the Soviet Union. It is only lip service. Is the Canadian government and the House going to ask the United Nations Security Council to debate the question of Lithuania? I hope we do, but, as somebody said, we have the Soviet Union onside on the question of Kuwait and Kuwait has 10 per cent of the oil reserves of the world. Naturally, Iraq, by invading Kuwait, now controls 20 per cent of the known oil reserves of the world. Why are we fighting in Iraq? We are fighting because there is oil and there does not seem to be any oil in Lithuania, Estonia, or Latvia.

• (1940)

We are fighting there because the American President believes that there must be a security of supply of cheap oil for some nations.

Are we defending a democratic country in the Middle East? Are we defending democracy there? I say that Kuwait is controlled by a family, a sheikh who abandoned and closed down the democratic process and parliament three years ago. This same sheikh who has invested $100 billion in the United States is able to buy the defence of his own country.

But this same country, Kuwait, had over 600,000 foreign workers and many Palestinians living there for 20 years who were never given the same rights as the Kuwaitis. They were exploited. The United Nations should have asked the government of Kuwait to give those people the right to vote and to participate in the administration of that country. Some of them have lived there for 20 and more years.

As we know, Kuwait was established by the British in 1961. Before that it was part of the Ottoman Empire and part of the province of Basra. This is why Iraq claimed that this was part of its territory.

We have been supporting Iraq, and the United States and the western powers have been arming Iraq when it was fighting the Iranians. One of biggest supporters of Iraq was Saudi Arabia because it was doing the dirty job for them, fighting the fundamentalism of the Muslims as it was practised in Iran.

We have a certain responsibility because we helped Iraq to get arms. We used the Iraqi people and we helped Mr. Saddam Hussein. Suddenly, once he had done the dirty work, he became an enemy. Mr. Bush has now associated himself with a dictator in Syria, one known to have been a terrorist all over the world. Now he is a good man. Suddenly he is helping Saudi Arabia and the United States, and he is our friend in the fight against the Iraqi people.

As the war progresses, there is more and more damage done to the economy of the Middle East and it will take many years to rebuild that economy and the instability is going to continue.

I would like to come back to the question of the link between the Middle East conference and the question of Kuwait.

I have the impression that the world, if it wants to be peaceful, has to see the problem that exists in Israel, which wants to be secure in its borders. I agree it has to have security, but it has to understand as well that it cannot live peacefully as long as there are camps in the West Bank in Gaza; as long as there are refugees in camps in Jordan.

I had the occasion to meet Mr. Arafat and talk with him. He told me he would be ready to have a state even without an army for the Palestinian people as long as it would be the Palestinian state that was created by the United Nations in 1947.

So, Mr. Speaker, I hope that those who are engaged in the fight in the Middle East, our Canadian troops, are going to come home soon, and that there will not be any casualties.

Let us hope and pray that there is going to be a peace conference to end this war as soon as possible.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, while my colleague was speaking—I do not know if he was aware—but through CNN, a rolling SCUD missile they called it, dropped on Tel Aviv. Chemical warfare has been launched by Saddam Hussein against a country that I think showed incredible discipline, was not involved in financing Mr. Saddam Hussein, who in turn marched in and raped his neighbour. He deliberately attacked a country that had not been involved. There was no link to what was going on between Saddam Hussein and Kuwait.

I watched as the announcers and the reporters, with a great deal of bravery and some sense of foolheartedness, spoke without their gas masks on. Then they were advised to please put on their gas masks. It was with no great ease that they put these things on their faces. I thought it was supposed to be easy to protect yourself in this chemical warfare situation.

My heart is pounding. My stomach is sick. I cannot even cry, I am so numb.

Israel has not retaliated as yet. But I ask you, if you were a minister of state, if you were a member of the Knesset, or a minister of that state, what would you advise your cabinet and what would your constituents be saying to you right now? What would be the Israelis' expectation of their cabinet ministers and their leaders?

Mr. Kindy: Mr. Speaker, I was informed just before I started speaking that there was a missile attack launched on Tel Aviv. I am really saddened to hear that it is chemical warfare.

This is why I personally felt that we should not start a war in the Middle East, but rather work with sanctions because sanctions were working. There certainly were very positive results from those sanctions, and I as a person who was born in Europe and who lived through war, know that once the war starts, you never know how it ends, the casualties and sacrifice of people, and the families that are being killed.

• (1950)

You ask me what would be my advice if I were a cabinet minister and I were in the Israeli government. It is a fair question, but it is not a question that is easy for me to answer. As you know, I am an outspoken person. I would say you have to react. I would not blame you if you did. But I still believe that those who are responsible for starting this war, whether it is Hussein or our neighbour to the south, are those who said we are going to do a surgical job. As you know, there is some information that already 300,000 people have been killed in Iraq. I answered your question, I think.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I too want to make a comment at this time. This will probably be known by many Canadians as the night of madness. The forces that have been unleashed tonight on Tel Aviv by Saddam Hussein will do incalculable damage not only to Tel Aviv.

Someone said earlier in the debate that Canada lost its innocence when it entered as a belligerent in this war. I suggest to you that the world is permitting itself tonight to be crucified. My colleague earlier asked a question. My question is not so much to the member from Calgary because in a way it is a rhetorical question. What happens to those children who cannot get on their gas masks? What happens to the men and women who are caught in the street and cannot get into a sealed room? All of us have spoken against the terrible sin of war and here tonight we all stand condemned.

We stand condemned as parliamentarians. The parliamentarians of the world stand condemned because we could not find a solution to this age old disease, the disease of war. I hope that the beginning of this madness will end before the whole world is sucked into the vortex of an incalculable slaughter.

Mr. Kindy: Mr. Speaker, I appreciate the comments of the hon. member. There is no doubt about it, we have unleashed powers that we now have difficulty controlling and this might be just the beginning.

I agree that we should pray that this comes to a quick end, that peace can be restored and that some sanity is brought to the minds of politicians so that we can find peace on earth and stop the hatred between people.

[*Translation*]

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, it is an extremely painful experience for me to rise in the House and speak in this debate, at a time when from minute to minute, we hear the conflict is escalating, attacks are becoming more frequent and casualties are rising.

In this context, the resolution we have been debating for many hours has become very meaningful indeed.

Mr. Speaker, in November and December I had the privilege of being at the United Nations when they were discussing resolution 678, which led to the debate we are having today.

I remember, with the delegates of the Canadian mission at the UN, that there were fierce and furious discussions on the issue.

Faced with this alternative, Mr. Speaker, the reaction was that they would not let the situation deteriorate to that point. However, after experiencing this new and different atmosphere at the UN after the Berlin Wall was brought down and the eastern block and communism were dismantled, we felt and we still feel the incredible strength and will of this forum, constituted as the United Nations. We felt it was the right instrument to deal with these problems, whether it was apartheid, the Middle East or, more specifically, Iraq.

What I found so impressive and convincing about the Canadian position, Mr. Speaker, was that Canada as such is an intermediary power. It is neither a superpower nor a small power. Among the 159 member states at the UN, the vast majority are small powers, countries that do not have the capabilities of the superpowers, meaning the economic and military capacity and the prestige that those powers have.

A few moments ago I heard the hon. member for Calgary East say that Kuwait as an oil-producing country had about 10 per cent of world production and was thus an important country. Doesn't the hon. member realize that the small powers I referred to which are members of the UN are always the first to be affected by the threat of rising energy prices? These small countries, members of the Commonwealth or the francophonie with whom Canada has close links through its external aid programs, tend to suffer most as a result of these conflicts and threats. Countries that lack economic resources and a certain degree of military capability are the same countries that are hard pressed to maintain their democratic system of government. It is those countries, Mr. Speaker, that appeal to powers like Canada to intervene in these world conflicts because if no one intervenes before the problem escalates, the many small powers of our planet will be the first to fall victim to the invader.

• (2000)

Mr. Speaker, there is something I find hard to understand. Of course, we have to say that war is absurd. That is obvious. I never saw anyone either here in the House of Commons or at the UN say that war was the answer. Everyone agrees that war is absurd. But there was also a consensus, Mr. Speaker. In the Security Council, except for the five permanent members, the remaining members, the other ten, are basically small countries. Whether we are talking about Ethiopia, Zaire, Ivory Coast, Malaysia or Colombia, they are all small powers and they also voted because they are the first to be at risk as a result of such conflicts, because of the threat to their energy supply and their democratic systems.

Today, in the present conflict, these smaller countries are appealing to more important powers like Canada to help maintain a balanced situation. That is the meaning of the resolution adopted on November 29 at the UN and here in the House of Commons. It was exactly that.

It is easy for someone who does not have to make decisions to say: You should have said or done this or that. However, there is one man in this world who is not in a position to say that, and that is Saddam Hussein.

During my experience in New York, I had a feeling of great hope and optimism as a result of this development. I had a similar experience before in New York and Geneva and elsewhere, but this time, Mr. Speaker, I found that tremendous progress had been made towards achieving a world wide awareness of human problems.

Today's failure is indeed just that, Mr. Speaker, but these things do not happen in a vacuum. What we have to look at, what we have to do, I think, is not condemn those who made the decisions, because what we had was

a huge majority that was necessary to reach this kind of decision, and everyone was hoping it would not come to this.

We learn from what we are taught, we learn theory, and we also learn from experience. It seems to me that past experience has not helped us avoid such conflicts but it would also seem that aggressors, that invaders like Iraq have failed to realize that their predecessors in similar situations were not successful.

However, Mr. Speaker, I am sure that in the present situation, we will be able to use this organization, an indispensable instrument for the development of world peace, to draw from this unfortunate experience any benefits that are to be had.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a question for the hon. member. I would like to hear his reaction to this quote from an article by Alain Dubuc published in *La Presse* of January 14, 1991, under the title: "Canada should remain an ambassador of peace", in which he says: "Why should we send our young people over there to be killed? Why should we let the federal government spend billions of dollars to finance this undertaking? This reluctance is also understandable because of some deeply rooted traditions. Canada is not a military power, and the modest role it has always played on the international scene has tended to be that of a peace ambassador". Do you agree with this quote?

Mr. Tremblay (Lotbinière): Mr. Speaker, the distinguished editorial writer of *La Presse* is entitled to his opinion.

However, as I just said, Canada's present actions are no reason to conclude it is a warlike country. We must conclude that Canada is acting consistently with its military traditions. It is true that Canada is not a military power, but Canada is an intermediary power, and for some of the countries I mentioned earlier, the small powers, it has been a country that was able to support their claims. In this case, it has put us in an unfortunate situation, but that does not make us a warlike country.

Canada is not a neutral country. Canada is a country with honour, a country that is able to defend principles, alone and with others. And the principle applies, in this case, to Canada and to the global community. The resolution was passed. A consensus was finally reached in the Security Council. It was backed by 159 member States, none of whom appeared to make any objections. Basically, the whole world was in favour of this tactic, if I may use this term, but some countries were hoping we would not have to go that far. However, these things do not operate in a vacuum. There is also the aggressor. You see how things develop. It was with that in mind that the resolution was passed in November 1990.

Canada is not a military power and it is not a warlike country, but Canada was there in 1914 as it was in 1939, in 1950, and again today. It is a member of the United Nations and when you are a member of the UN and there is a consensus like the one we had on November 29, you cannot pick up your chips and leave when going gets tough. We have to be consistent, the same way that Canada as a country is consistent.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I have a question for the hon. member. What is his attitude to the Middle East problem and the possibility of a peace conference that would of course include Israel, the Palestinians and now also Iraq and Kuwait? Would he be in favour of such a conference?

• (2010)

Mr. Tremblay (Lotbinière): Mr. Speaker, without this conflict with Iraq, the international community would probably be holding this conference. Canada supported it from the beginning. It had the support of virtually the whole world, with the exception of one power. However, it is true that both situations need not be linked and there is still the need for such a conference.

We all hope this conflict will be short and that it will soon be followed by such a conference, since the United Nations have now the credibility allowing it to claim to be the forum that will bring about a solution to Middle East's problem.

[*English*]

The Acting Speaker (Mr. DeBlois): The hon. member for Cape Breton Highlands—Canso. I apologize, I forgot the hon. member for Lotbinière spoke only for 10 minutes and I recognize the hon. member for Ontario.

Mr. René Soetens (Ontario): Mr. Speaker, I certainly have to compliment the hon. member for Lotbinière for his excellent presentation of what is obviously a very

important issue for all of us here in the House and for all Canadians.

Back in 1988, when I was asked what were all the issues that I would stand for and represent when I ran for election, this was not one of those issues on which I was asked a lot of questions, nor was it one to which I gave a lot of thought. I do not think that two years ago, if I had been asked what would be my views in such a circumstance, I would have have said something to the effect that I would cross that bridge when I came to it and hopefully I would never have to. We all know now that we had to.

Why do we have to make this decision? It is very clear why we have to make this decision. Some 170 days or so ago, a sovereign country, the country of Iraq, decided to invade another sovereign country, the country of Kuwait. A country of 17 million people, with over one million people serving in its armed forces, invaded a country of only 700,000. The war was started by Iraq with its total occupation of Kuwait.

The UN reacted, as it should have. It reacted almost immediately; it demanded an end to the hostilities and the removal from Kuwait of the Iraqi forces. The official hostilities ended not because Iraq left Kuwait but because it had successfully managed to conquer Kuwait and seize it as its 19th province. Sanctions, appropriately, were put in place by the United Nations and almost all commerce with Iraq was stopped. I say almost all, because there is clear evidence that some things were still getting in from Jordan, Iran, or by way of various other border points that may have been available.

It was said sanctions were having an impact, but were they? What were the results? Iraq is still in Kuwait, so obviously sanctions did not stop that from happening. We also know that today the armed forces of Iraq are greater in number than they were 170 days ago. Many reserves were called up to strengthen the very forces that were used to invade Kuwait. In Iraq, if top officials dissented with what Iraq had done, for some unknown reason they were executed.

If we think sanctions are not having an effect in one fashion, as I have just described, I will quote an article from the Toronto *Globe and Mail*. I think the comment is appropriate. It is always interesting for us to hear the views of many people from other parts of the world. Here is what a Canadian said about the shortage: This article appeared, I believe, on January 11 and read in part:

> Contrary to Western belief, the international embargo on Iraq is hitting hard, she said, and is particularly manifested in shortages of milk and medicine. "As always, the pressure is hurting the women and children—not the people it's supposed to hurt."

The person speaking was Maude Barlow, someone whose views I generally have no support for on many of the issues, but that is her view of what is happening in Iraq. I cannot in my conscience accept that that is what we want to achieve with sanctions. I do not believe that our role is denying women and children the necessities of life.

Canada can be proud of its heritage, particularly as it responds to desperate situations around the world. When assistance is needed regardless of where it is needed, Canada has been there in the past. It is there at the present time, and usually where is it? Where brutal dictatorships exist. Look at the countries in Africa where the people are starving. The brutal dictatorships are functioning, and the people are starving. We are there to help the people, not the dictatorships.

It has happened in Africa. It has happened in Asia in the past. It has happened in Central and South America. We can be there, but I cannot support a situation that will only aggravate the circumstances of citizens in Iraq who are innocent probably of the very atrocities their leadership and their military have foisted on the country beside them. Because of a guy like Saddam Hussein, his citizens will suffer, but not just his citizens. The citizens of many countries around the world, the poor nations, the ones who have to import all their energy supplies, the ones who have to import many other factors will be influenced by the lack of stability in the Middle East.

Of course Iraq claims that Kuwait is now a province, its 19th province. We have provinces. I would like to quote the minister of information for Iraq who said: "Kuwait is Iraq's 19th province and not an inch of it can be relinquished". "Everything they think could be used or valuable is taken by the Iraqis," said Abdullah Shayeji of Kuwaiti University's faculty of commerce. Is that how we expect a province to be treated?

If one is in Baghdad, one will notice that most of the police cars on the streets are in fact from Kuwait. Is that what happens in Canada? Obviously not. We have not attached one province and stolen all of its possessions and hauled them somewhere else. It is clear to me that Iraq is not treating Kuwait as its 19th province. It simply went in to pillage and plunder. We certainly do not hear about those kinds of things happening in the other 18.

I have a number of other quotes I could use about the various atrocities in Iraq, but I think I will pass those by because we have certainly heard them from others and I do not think they need to be repeated. It is clear the atrocities have to stop.

We have heard people say: "Wait. Give sanctions more time." Yet we have not heard how long we should wait or for what, or if they would ever support military action. There is no doubt in my mind that a year or two from now, after the sanctions have proven that the people suffer more and that the military dictatorship has not suffered, we would have to use military forces against them. Then of course we have to deal with the fact that Iraq may be much stronger. However, one thing is certain: Iraq has proven it has no respect for the United Nations.

I am also concerned when I hear people say that this is not a United Nations effort, that this is in fact a U.S. effort, and that we are all teaming with the U.S. There are certainly a lot of nations on the Security Council. Do they really believe that all those nations are simply puppets of the United States? Do they really believe that China or the Soviet Union as members of the Security Council are merely following orders from the United States? When the call for military forces went out, the Liberal and NDP coalition would have the country believe that only those who responded were those in the control of the U.S. Can we imagine Afghanistan, Bangladesh, France, Morocco, Pakistan, Syria, and the United Kingdom all being puppets of the United States, all with forces much greater than anything that Canada has sent there?

• (2020)

Or, can we believe other countries like Argentina, Australia, Bahrain, Bulgaria, Czechoslovakia, Denmark, and Germany all being puppets of the United States? I certainly cannot, and I do not think they can either.

I would like to comment on our role in this regard. We are part of the United Nations. Many years ago we were part of another group of nations that liberated a country. Canada played a role. Our role was significant enough; we were important to the country of Holland. We can ask our veterans, those who served in Holland, whether their contribution was useful. As someone who was born in Holland, I can say that although the contribution of Canada in the over-all scheme may not be significant, the Kuwaitis today will greatly appreciate the support in freeing Kuwait supplied many years ago to provide opportunities of freedom and advancement to other countries in the world from its terrible invaders.

I am sure I could go on, but I recognize the time constraint. Clearly we have to support the United Nations in its resolution to deal with the Iraq-Kuwait conference.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I am glad to be recognized so many times.

I have a question for the hon. member. Could he indicate how he feels about the fact that the Soviet Union at the present time is supportive of the action against Iraq but does not want to respond to the world community as far as freedom in Latvia, Lithuania, and Estonia is concerned?

As he knows, the Soviet Union in 1956 during the Suez Canal crisis invaded Hungary. When the west was turning to the Middle East, the Soviet Union acted at that time in Europe. The same thing is happening right now.

Mr. Gorbachev seems to work against the democratic processes that are taking place in the Baltic states. What are his feelings about it?

Mr. Soetens: Mr. Speaker, I appreciate the question. There is a substantial difference in the question that he asks and the resolution that we are dealing with today.

The resolution we are dealing with today is one in which all countries of the United Nations have condemned an invasion of one country by another. It does not mean I necessarily support what has happened in some of the places he has talked about, but that is not what we are debating.

We are debating a United Nations action unanimously endorsed. We finally have the nations working together. We have in the Union of Soviet Socialist Republics a leader who is showing that maybe he is prepared to turn around some of those things that were wrong 20, 30, or 40 years ago.

Clearly, what we have today is a United Nations resolution that we, and every other country in the world, have been asked to support. I guess that is the difference in the scenario that he describes. He has not got that kind of resolution, and how can we as a country today jump on the internal affairs of another country?

We may not like how that country was created. It may have been created 50 years ago, but under the logic that he would propose, if we go back far enough, Iraq was part of the Persian Empire and Mr. Hussein believes that the Persian Empire should be recreated from the Mediterranean to India, down through the Red Sea and Saudi Arabia. Are we going to say, then, that Iraq is right, that it should be allowed to expand its borders to the maximum because it existed 50, 100 or 300 years ago? Obviously not.

We are dealing today with the United Nations resolution between two sovereign countries. One invaded the other clearly in contravention of everything the United Nations stands for. We are members of the United Nations. To deal with those things we have to support within the United Nations.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, there are few occasions when members of this House are asked to rise on matters of such colossal importance as the matter which is before us today. It is impossible not to be moved by events as they are unfolding and to be deeply troubled by the prospect of what awaits the world in the days and weeks ahead.

My first thoughts are with the brave men and women who are currently in the Persian Gulf region. They face the agonizing uncertainty and doubt which only the reality of war can present. My thoughts are with the families of those Canadians who must now live with the unceasing fear that they may never see their loved ones again. Some of these individuals are my constituents. I cannot forget this. In fact none of us can forget for a single moment that the fate of the Canadians who are now in the Middle East may very well be decided in the next few hours and days. There is no room for outlandish partisanship at this time as too many lives hang in the balance.

Canada and this House have faced moments like this in the past. Throughout our history as a sovereign nation, Parliament has held the ultimate responsibility for the well-being of Canadians when we and other nations have found ourselves facing the prospect of armed conflict. It is vital then that we as parliamentarians have the opportunity to debate fully the life and death situation in which Canadians in the Middle East currently find themselves.

The government must present the choices squarely and honestly. It must be straight with Canadians here in the House of Commons and across Canada. It must not hide its intentions or camouflage its decisions behind nebulous words. Unfortunately, I fear that with the resolution before us the government has done precisely this. The resolution asks that this government reaffirm its support of the United Nations in ending the aggression by Iraq against Kuwait.

All members of this House support the United Nations. We have reaffirmed our support time and time again over the last six months. We supported UN Security Council resolution 660 and 662 condemning the Iraqi invasion and the annexation of Kuwait by Iraq. We supported resolution 661 and 670 imposing mandatory economic sanctions against Iraq. We supported the use of military force under the authority of the UN to ensure sanctions are upheld and the use of Canadian Armed Forces to contribute to the enforcement of these sanctions. We condemned Iraq's detention of foreign nationals as hostages and the other brutal violations of human rights.

With the exception of resolution 678 endorsing the use of military force if sanctions had not achieved their objective by the arbitrary deadline of January 15, Liberals on this side supported all of the resolutions against Iraq.

But that is not the issue before us. The request before us, which has been rendered academic by the multinational attack on Iraq and Kuwait as of last night and by Canada's immediate agreement to participate militarily, is for the House to support the participation of Canadian military forces in a military operation led by the United States, an operation carried out under the vague parameters of a UN resolution but which has not been a UN operation. That was as clear as crystal last night as we watched events unfold on television and as we listened to

the President of the United States tell the world that Operation Desert Storm had begun.

When the Prime Minister announced the government's intention to engage our forces in this operation, the whole point became moot. The deed was done. Canada was at war. My leader and other members of my caucus have already made clear our answer to the question: Should Canada participate in the military conflict in the gulf? The answer was no. We felt that sanctions had not been given enough time to work. Alternatives short of war to persuade or pressure Saddam Hussein to give up Kuwait had not been fully exhausted.

That was the message this government should have carried to the President of the United States. We felt and still do, that Canada should not abandon so quickly its margin of independent action by following the United States directly into this war, that there was a more constructive role, a role more consistent with our traditions for Canada to play.

That is how my party and I would reaffirm our support for the United Nations. That is how we would choose to contribute to the unprecedented, collective security effort mounted by the United Nations in the face of this act of aggression.

• (2030)

I share the outrage of millions of Canadians at Saddam Hussein's blatant and brutal assault of Kuwait. I agree that this action cannot be tolerated by the world community. For a petty dictator like Saddam to be allowed to gobble up a less powerful neighbour would send the gravest signal to would be aggressors elsewhere, particularly in the Third World where any number of reasons can be dreamed up to question the boundaries and modify the existence of a neighbouring state. To allow people like Saddam Hussein to redraw the world map by brute force would send much of the world into anarchy. Opposing Saddam's actions is vital to peace and security.

But why did it have to be war? Did we really exhaust all possible options short of war, or have we acted prematurely? Must we now purchase with blood what perhaps another few weeks or months of economic sanctions might have accomplished, namely the withdrawal of Saddam Hussein from Kuwait?

What happens if, God forbid, this war drags on, if the conflagration spreads to other countries in the Middle East, to citizens around the world through wanton terrorism, if it leads to the use of chemical, biological, environmental warfare? If we are obliged in the heat of battle to resort to ever more sophisticated weaponry, what happens to our resolve once the casualties begin to mount, once the international media begin to relay back to our livingrooms and to the front pages of our newspapers the images of the war, the carnage and inevitable atrocities? Will we be able to sustain our commitment? Can we be sure that our reasons for entering this conflict are absolutely above reproach, that as we look back, alternatives have actually been exhausted?

There is no question that there are compelling strategic reasons for expelling Saddam Hussein from Kuwait. He is clearly the aggressor. Without by any means wishing for Canada to play the same role, I concede the important and generally favourable role that the United States has played as the defender of freedom and democracy. But the role as the most powerful nation carries with it powerful responsibilities, and it is not always clear that the conduct of U.S. foreign policy in the Middle East has always been above reproach.

I recently had occasion to read an article by Janis Gross Stein, a professor at the University of Toronto and one of Canada's leading international relations experts. In her article entitled "The Challenge of the Persian Gulf Crisis" she analyses the events which have led us to this war and tries to discern how and why events unfolded as they did.

In a very straightforward and honest manner, she poses the question: could the use of force have been avoided through more effective strategies of crisis prevention? Her answers are quite surprising, especially since she documents the events leading up to August 2 when Iraqi forces rolled into Kuwait.

She argues that for the last 10 years the United States and other nations have actively pursued a course of trying to establish Iraq as a major force in the Middle East, ostensibly to offset the perceived dangers of Iranian expansionism. She points out quite correctly that

in 1977 Iraq's Armed Forces stood at 188,000 and that barely 10 years later this number had risen to over one million troops.

Professor Stein contends that in the few days and weeks prior to Iraq's invasion of Kuwait, the Americans played a very dangerous game of what she terms deterrence and reassurance, that is to say the U.S. government sent conflicting messages to Iraq about how it would react in the event that Iraq invaded Kuwait. She cites U.S. defense secretary Richard Cheney's comments to journalists on July 19 of last year that America was committed to come to the defence of Kuwait in the event of Iraqi invasion. Only five days later on July 24, a spokesperson for the U.S. State Department remarked, and I quote: "We do not have any defence treaties with Kuwait. There are no special defence or security commitments to Kuwait". Only the next day the U.S. ambassador to Iraq reportedly said to Saddam Hussein personally: "we have no opinion on the Arab–Arab conflicts like your border disagreement with Kuwait".

Many have contended that Saddam Hussein miscalculated how the world, and specifically the United States, would respond if and when he invaded Kuwait. Madam Speaker, it seems he may have had some help from the Americans in this regard.

I want to emphasize again, however, that I find any armed aggression on the part of one country against another totally unacceptable. This is especially true of Iraq's invasion of Kuwait, more so when one looks at the atrocities committed by the Iraqi invasion. Nonetheless, our conduct in international relations, and particularly the conduct of the United States, has to be by virtue of its power and the responsibilities it holds absolutely above reproach.

I fear we have not all been lily-white in this. Neither has the United States, and by extension, neither have we. We must all share a portion of the responsibility for events as they have transpired, although none more so than Saddam Hussein. The government's willingness to support the Americans wholeheartedly in whatever they do, something they have demonstrated over and over again, is frustrating and ill-advised. I think it is one of the major reasons why our government has failed to provide a more constructive role in the quest for peace in the Middle East.

The government has been far too caught up in the international game of brinksmanship to realize that we are plunging headlong into war.

Madam Speaker, this is not our war. But now that the war is here, we shall not shun it. Let us be clear about how this war came about. Let us be equally clear in stating that this could have been avoided, perhaps as early as last August.

No one has successfully made the case that sanctions were not working, particularly given the horrible consequences of resorting to war to achieve the desired effect of Saddam Hussein's ultimate withdrawal from Kuwait, given enough time. The imposition of the January 15 deadline was premature. I fear that the government's support of that deadline was shortsighted, that by doing so, Canada has forfeited a great deal of its credibility as a peacekeeper and as a peacemaker.

Whoever is to blame, there is no denying that war has arrived with a vengeance. Early signs of optimism have to be kept in perspective as we witness rumblings of discontent throughout the Arab world; as we see on our television screens tonight the terrible bombings of Israel; as we start to see the extent of the damage inflicted by the initial bombing of the multinational force and of the missile attacks by Iraq on western targets.

The Palestinian factor is still a grave threat to regional security. It is doubtful whether Saddam Hussein has been crippled to the extent which most of us would like to believe.

Therefore, the quest for peace must continue. The point of this war is to drive Saddam Hussein from Kuwait. Yet we should remember that there is still room for diplomacy in achieving that goal. In fact, diplomacy is essential if we are to find any of the long-term solutions to the problems that exist in the region and which have been aggravated over recent days.

Iraq's withdrawal from Kuwait will be but the first step on the long road to peace in the Middle East. Thus, this government has a unique opportunity to redeem itself as a peacekeeper; as a nation which still will go the extra mile for peace.

Above all else, we all must remember that first and foremost, the well-being of our troops and our civilians in the Middle East is our No. 1 priority. Likewise, the families and loved ones of our troops and civilians in the gulf must be accorded the kind of consideration and access to information which they so clearly deserve.

That is why I proposed today in this House that the federal government introduce a special hotline so that families can communicate directly to someone with knowledge about the whereabouts and well-being of their relatives and friends who are directly involved in this conflict in the gulf. I hope the government, particularly the Secretary of State for External Affairs, will accept that recommendation which I made to him this afternoon.

• (2040)

We owe as much to our people who find themselves in the Middle East in the middle of a war that they did not ask for but must now fight. We owe it to those whose devotion and commitment to Canada gives them the strength and the courage to fight for it and for the principles they believe in. We owe it to those who may never see their loved ones again and for whom the desert will be an unmarked grave. Let us resolve to do whatever we can to focus on peace to end this conflict as quickly as possible. Let Canada be the leader in achieving a constructive conclusion to this terrible conflict.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I listened with interest to the hon. member's speech. I would like to emphasize that there were signals given to Mr. Hussein by the Americans which certainly indicated that the United States considered the border dispute between Kuwait and Iraq none of their concern.

I would like to quote the United States Ambassador to Iraq, April Galspie, who saw Mr. Hussein on July 25, just a week before the invasion of Kuwait by Iraq. In discussing that matter with Mr. Hussein she said and I quote: "We have no opinion on the Arab-Arab conflicts like your border disagreement with Kuwait". Naturally this was a very strong signal to Mr. Hussein that the Americans would not get involved in that conflict.

So there is certainly a responsibility of that ambassador in giving the wrong signal to the Iraqis and now we see the tragedy. I hope that in the future ambassadors are going to consult the State Department before giving such an opinion.

I would like to ask the hon. member what his opinion is on the question of a Middle East peace conference that has been requested for many, many years by the world powers, including the Soviet Union and the Arab world. Does he feel that this problem of a peace conference in the Middle East would have prevented the tragedy that we have today in the Middle East?

Mr. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I would like to thank the member for his question. Before coming to the last question he posed, I would just like to make a few remarks to elaborate the point that I was trying to make with respect to the behaviour of the United States immediately prior to the August 2 invasion of Kuwait.

The point that I want to make is not a condemnation of U.S. foreign policy in the Middle East or anywhere else, but U.S. foreign policy in the Middle East for many years has been exercised in the form of signals and nuances. That is the way it has been carried out, presumably, to achieve some form of regional stability. It has obviously not always worked. The point I wanted to make is when we contemplate an action such as that which was undertaken last night, we have a very difficult problem in generating and sustaining the commitment against the hostilities that may result. In democratic countries we have to deal with that problem. The United States felt it in spades in Vietnam in the 1960s. That is point I wanted to make, particularly in terms of the decision to go ahead and launch this attack and for Canada to just jump right in afterward.

To return to the peace conference question, the peace conference which has been proposed for many years as a vehicle for achieving a resolution of the Palestinian question is, of course, the thorny issue at the centre of the Middle East problem. I endorse it as a good idea, independent of whether in fact there was a conflict and independent of the Iraq invasion of Kuwait. I think the peace conference is a good idea but it is not at all linked to what has happened in Kuwait.

I believe that when this is over, a peace conference should be proposed and all participants should be willing to achieve a final resolution of this issue to ensure some kind of secure boundaries for the Palestinians as well as for the State of Israel. I think that is consistent with the UN resolution 242 and others. Ultimately, we have to achieve something like that before we will have lasting peace in the Middle East.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I apologize to my colleague. I did not arrive until the last five minutes of his speech, but I know him to be a very sincere individual who has once again shown that to be true.

In these kinds of situations I usually turn to Tommy Douglas and see what he had to say about war, peace and a whole host of things. We are talking about American foreign policy here. Tommy Douglas said that the Americans have their hawks and doves and the Canadian politicians have their parrots.

Another indication is that this war is about oil. It is about power and it is about money. A wise journalist in the United States said that if Kuwait was full of coconut trees and date palms, the Americans and the other coalition of nations would never have invaded Kuwait.

The President of the United States has tried on many occasions, as has our Prime Minister, to explain the rationale for this war. He started out by saying: "We have some national American interests in Kuwait". That was not acceptable. He then said: "We are going to lose jobs". That was not acceptable. So he turned to the aggressor stance. "Let's get after Saddam Hussein".

Last night was a surgical manoeuvre. Tonight I think it is resulting in a malpractice suit. I would like the hon. member to comment on American policy and Canadian corroboration, co-operation or just the following of American foreign policy in the Middle East.

Mr. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I would like to thank the hon. member again for his kind words and for his question. Canada and the United States are two very different countries and we can and should pursue our interests and our responsibilities on the world stage in very different ways.

For Canada to simply follow the United States, whether the United States may be pursuing its own interests or world interests, is invalid. I believe that Canada has a role to play by being independent of the United States; by maintaining its margin of independence; by maintaining its freedom of action and by not marching locked step.

A precise example is that we are not opposing the United Nations or we are not against the United Nations because we do not do exactly what the United States does, but we actually could be supporting the cause of peace and the cause of world stability by acting independently and differently than the United States.

• (2050)

American foreign policy, because America is the giant that it is, pursues a whole range of different interests. I am not the one who would be the first to dump all over American foreign policy. Obviously, in Kuwait there are some strategic interests, not only to the Americans but to everybody else.

I do not see why Canada cannot pursue an independent role in the Middle East, particularly with this conflict, and be very constructive without having to embark on a war. Certainly, I do not believe that necessarily it is a wise course for the United States to have got into this war at this time. I think it is dangerously premature.

I think it is an error in judgment that the American government has made, quite frankly.

Mr. Shields: On a point of order, Madam Speaker, before the debate starts. I am wondering if it is possible and whether there is agreement in the House to allow our pages who are first year university students to leave tonight, and maybe just keep a skeleton staff to man the phones and let the rest go home.

They have studying to do, and we are keeping them very long hours.

Madam Deputy Speaker: I thank the hon. member for his suggestion.

We will do some kind of negotiations behind the curtain, and I am sure that we will come to some kind of an agreement very soon.

Mr. Chuck Cook (North Vancouver): Madam Speaker, I honestly wish I lived in the world that is envisioned by some of the members of the opposition.

I wish I lived in a world in which all things were negotiable, where all people were reasonable, where discussion could take place and solutions could be

arrived at with dispatch and where everyone was amicable to the result. Unfortunately, I do not live in such a world. Nor do they, and they do not seem to know it.

Let me talk about Saddam Hussein for just a moment to begin with. This man, with his uncle, killed his first man at the age of 15. At 20, he headed up the execution squads of the party. At 25, he placed himself in a position where he was in charge of security for his government and then, by murder, finally achieved the dictatorship which he now controls in Iraq.

This is not a man whom you can negotiate with. This is not a man who deserves consideration at all. There has been six months of so-called diplomacy with Iraq. He said exactly the same thing at the end of the six months as he said to begin with despite peace proposals and conferences of all kinds proposed by all people.

Finally, in desperation, the United Nations passed resolution 678, which meant that after January 15 there could be force used to remove him from Kuwait.

The major argument I hear is that the sanctions should have been allowed to work and that they should have been continued. It might take another six months, another year or year and a half. Even those who most firmly believe in sanctions were not prepared to set a time limit on it. That, or war.

If we have sanctions, of course there is no war, no great piles of dead and no great war machine moving into action. It sounds good, but let's also look at what sanctions mean.

In the small countries such as Senegal, from one day to the next its energy bill doubled, which meant hardly any money left over for health or education. That happened in many Third World countries.

Let us talk about Kuwait itself. We have seen six months of brutalization, rape and pillage take place there, and it is continuing. All right, if you want sanctions, you must be prepared to see that total kind of destruction and suffering in the rest of the world, you must be prepared to see Kuwait utterly destroyed as more and more citizens are killed, and so on.

There is no easy answer here; there is no easy answer at all. Sanctions mean suffering to some other people and, quite frankly, if you feel as I do that sanctions would never work with this kind of barbarian, this jackal, as he is called, then I think you understand that sanctions also mean tragedy in Iraq itself. It will not be the military that suffers, it will be the poor people of Iraq that the sanctions will affect. You pay your money, you can have your choice. I prefer what has now happened, with an attack on Iraq by the United Nations, by the four major powers. There is an old line that states: "All that is necessary for evil to triumph is that good men do nothing". Well, we did everything we could for six months; it amounted to nothing and now something else is taking place.

If we go back in history to Manchuria, 1931; if the League of Nations had done something then who knows what the world would be like today. In 1935, in the case of Ethiopia, had the League of Nations been able to act, we might not have had the Second World War. In 1936, the Rhineland, and on, of course to Czechoslovakia. Had the major western powers acted at that time, history now tells us Hitler would have been destroyed, he would have backed down and been replaced and we might not have had the Second World War. You can appease but if you do you threaten to repeat history.

I am slightly annoyed, more than that I think, with many of my colleagues who wish to damn the Americans. My only thought is, thank God for the Americans. Without the Americans in 1950 in Korea, without the Americans today, fighting in Iraq, without their great strength, I do not know what the world would be like. I would also point out that some things they do we do not like but they have not been empire builders. They have gone into countries but they have come out and left those countries to run their own affairs. This is not the case in terms of Iraq and Kuwait. Frankly, this barbarian must be stopped; he must be destroyed.

The attack with nerve gas, as reported in Israel tonight, is another indication of the kind of individual that you are dealing with. You are not dealing with the Iraqi people, you are dealing with a despot and a total barbarian. I only hope he can be destroyed and destroyed quickly, with a minimum loss of life so that the world can continue on.

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, my very good hon. friend, who has a very good knowledge of history, has given us good examples of how the outcomes might have been had the world acted differently. Would he very kindly comment on another historical fact that took place and tell me where the world would be tonight when, on November 29, 1947, the United Nations, that all of this party is so pleased to acclaim today, and rightly so, decided that the time had come to create in the land of Palestine two states, one for the Jew and one for the Palestinian. Would my friend, who is highly knowledgeable about history, care

to comment and tell me if the world today would not be safer and more sane?

• (2100)

Mr. Cook: I would love to comment on that because the hon. member has a rather coloured picture of the history of that time. However, remember this: Israel was a peaceful country, and the Jewish state when it was formed was attacked by all of its Arab neighbours. They fought them off, established lines—

Mr. Prud'homme: In '48?

Mr. Cook: We are talking '47 and '48. We are also talking about the Arab countries that persuaded the Palestinians to leave their villages and to leave the Jewish state. We are talking about those leaders in the Arab world that set up those refugee camps and maintained them for years for political purposes, not in the best interests of the Palestinians.

The Palestinians have been hard done by the Arab world, not by the Jewish state. The hon. member shouldn't ever forget that when he talks now in terms of the world being different if we did not have a Jewish state. Thank God Israel is there.

Surely, sooner or later, perhaps the Arabs will quit fighting among themselves and allow the Palestinians to take their proper role in the Middle East. It is the Arab world, not the Jewish state, that has contributed to the great suffering of the Palestinians over the past 40 years.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, the hon. member for North Vancouver said at the opening of his remarks that he wished he lived in a world so that all things were negotiable. He suggested that somehow those on this side of the House were naive because we believe in negotiation.

I liken negotiation in this instance to two young tough guys fighting it out in the school yard. What we have is one beating the other one up very badly. He has the other one on the ground with his hands around his neck and is banging his head on the ground saying: "Do you give, do you give?" But he will not take his hands off his neck long enough for a yes or a no. You cannot negotiate unless you allow the other one to answer.

I am responding to that comment from the hon. member because we now have a situation where, after last night's attack, the question has not even been asked: "Do you give?"

I know the hon. member has been in the House waiting for his opportunity to speak. He will be happy to know that the latest report is that the warheads that struck Israel were not chemical warheads. I am sure he shares with me a great deal of relief about that.

The hon. member asked: "Can you imagine how sanctions would hurt the people of Iraq if they continue?" I think I am quoting him correctly. My question is: Could he tell me if he does not believe that the action last night very much hurt the 350,000 people who died?

Mr. Cook: Madam Speaker, there are two quick caveats. I am curious as to where the figure 350,000 came from.

I am delighted that they were not chemical warheads that struck in Tel Aviv and Jerusalem tonight.

As far as the rest of it is concerned, we have had six months of solid diplomacy and negotiation and got absolutely nowhere with this barbarian. There comes a time when you must take action. I repeat the line I gave in the speech. "All it takes for evil to triumph is that good men do nothing." The time is for action now.

Mr. Ken Hughes (Macleod): Madam Speaker, on August 2, 1990, Saddam Hussein brutally invaded Kuwait, a fellow Arab nation. His purpose was simple. He wanted to extinguish Kuwait as a nation and systematically acquire its wealth. What he did not count on was the united condemnation of his actions by the United Nations.

Saddam Hussein turned a deaf ear to the world and quickly massed his troops along the Iraqi and Kuwait borders with Saudi Arabia. In a rapid response some 30 nations, including Canada, sent military personnel and equipment to the region to deter any further aggression. This was not simply a collection of nations acting individually and unilaterally, but instead a united stand

against Hussein's actions under the umbrella of the United Nations.

The United Nations Security Council condemned Iraq's naked aggression on the very day of that invasion. Subsequently, 11 more resolutions have been adopted by the Security Council, culminating with resolution 678 which authorized the use of force if Iraq did not withdraw by January 15, 1991.

The most startling fact about this situation is that we have walked down this road before. Over 50 years ago, the world was faced with this very type of naked aggression. At that point, that fork in the road where apparently small decisions marked a very critical choice, the results were a very different result for mankind.

British Prime Minister Neville Chamberlain talked about peace in our time. He and much of the world put their trust in the policy of appeasement. The world wrongly assumed that if it appeased aggression, the aggression would end. History has shown us the horrible price of that policy.

The original intent of this motion before the House tonight was to show whether we had learned that lesson from history. Actions taken by the international community against Iraq indicate that we have. I believe that the United Nations and Canada in its own role—I am convinced, in fact—is that Canada is taking the most appropriate path.

Last November 11, Remembrance Day, I was in my constituency in the town of High River, Alberta. There was an edge of emotion to that day because it was the first time for a considerable period of years when Canadian forces were on duty, away from home, in an area that could potentially become a war zone. That emotional edge came through that day. Canadian forces were moving toward the gulf. There was, of course, the recognition of those who had made their sacrifice in previous world events. But the master of ceremonies also made reference to me, giving me a message as a member of Parliament, and that message was make the right decision, but try all possible diplomatic alternatives to solve this situation.

The speeches made here the day before yesterday by the Prime Minister and by the Secretary of State for External Affairs outlined in intricate detail the countless diplomatic initiatives all sadly rebuffed by the regime in Iraq. The choice of the right path for the United Nations and for Canada, because we did have a choice, was clear.

No nation and no leader takes a decision to use force or to enter war without knowledge of the potentially horrendous consequences. While early reports were encouraging, I have no doubt that the United Nations forces will face very great challenges. Nothing can be taken for granted. Reports even in the last couple of hours suggest that the State of Israel has suffered a missile attack of, as yet, an uncertain impact and also of an uncertain but potentially volatile result.

We should not be surprised by a volatile circumstance like this, for the risks and the uncertainties are legion and dangerous, but the objective remains the same as it was yesterday and the day before. The objective is the rejection of naked aggression, united action by united nations, and a world order where peace is an enduring possibility.

• (2110)

Many constituents have asked me why we are in the Persian Gulf. Canada is in the gulf because of our commitment to the United Nations. We are a founding member of the UN and have always supported the role it has played in the international community. The UN has seldom been more effective in unity than it is today. We need a UN which secures world stability.

The cold war has melted away. With the bipolar world of the U.S. at one side and the U.S.S.R at the other—each maintaining control within their own spheres of influence—having dissipated in the last couple of years, we need an instrument, a means, to keep the peace in the world. Clearly, the United Nations is the body through which that can be achieved.

We, as Canadians, cannot accept the benefits of membership in the United Nations without also accepting the responsibilities that come with that membership. My conviction is that we must act as Canadians, not as boy scouts or girl guides in the international scene, but as a nation of commitment and a nation prepared to step forward and play its appropriate role.

In light of our stand in this crisis, where Canada chose the path of principle, our standing, and the standing of the United Nations as a result, is strengthened in the long-term search for peace.

In other circumstances, people speak of the effect of victimization. One person may be the victim of a particularly disastrous and destructive act of another. It is not just the individual that that happens to. It is not just the victim who is victimized. So are the members of that person's family who suffer with the consequences.

In the family of nations, particularly small nations such as Kuwait and Canada, when one nation is a victim, all nations are victimized. None can afford those immoral results.

In reverse, when there are heroes, we pay tribute to the courage of those heroes. The families and the loved ones of those individuals are heroes as well.

I conclude by paying tribute to the bravery and courage, not only to the Canadian Armed Forces men and women, but I pay tribute to the families of those men and women, for they, in their own private ways, are heroes by association.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, quite often in the debate tonight we have reflected upon the essential point of the need for the economic sanctions which were previously imposed before the United Nations alliance came to exercise its final options.

A critical point that many members in the opposition have made, including our Liberal colleagues, is that insufficient time was given for those economic sanctions to take bite; that in fact President Bush drew an arbitrary line in the sands of times on January 15 and set that as the deadline.

There is ample evidence to suggest that, given time, those economic sanctions would have indeed proven to be most effective in convincing Saddam Hussein to reconsider his unnecessary aggression against Kuwait.

For the digestion of the member opposite, I want him to consider the comments that were made by the United States CIA director, Mr. Bill Webster, before the U.S. Congress, back in December.

He said: "Iraqi exports had been slashed 97 per cent and imports reduced to 90 per cent of the trade before the annexation of Kuwait." He went on to say that the Baghdad regime is inexorably running out of the commodity on which its future depends: money. "Oil revenues are the drip-feed of Baghdad's life support system and without them," he concludes, "the dictatorship will inevitably perish."

I would like to submit, on behalf of my colleagues on this side of the House, for the member's consideration that that is very strong evidence and that, given time, those economic sanctions would have and could have done the job. The reality that we face today, with the carnage we see developing in the Middle East, with the decision to pull the pin—the trigger—is that those economic sanctions have not been given the opportunity to work.

Mr. Hughes: Madam Speaker, my hon. colleague opposite me asks the question: Was there sufficient time for the sanctions to work?

The answer to that will become clear with history. The evidence in the public domain suggests that those people who would suffer most under sanctions are the people in Iraq least able to look after themselves. Those who would be the last to be affected would be the armed forces of Saddam Hussein. The first people to suffer are the children like the Kuwaiti babies who were brutally murdered when Saddam Hussein moved into Kuwait.

What was worse was that Saddam Hussein was using this time to stall, to build up his armaments, to position himself in Kuwait, and to prepare himself for the battle that was coming. He was preparing for environmental disaster.

My friend opposite, I am sure, believes that we could afford to wait and to try to negotiate time after time. That is what has happened over the last months since August 2. There has been attempt after attempt, by country after country, culminating in the several attempts by the Secretary-General of the United Nations, to respond to this crisis and to appeal for some signal from Saddam Hussein that he was genuinely prepared to sit down and talk, and to relinquish property unjustifiably seized from Kuwait in a brutal act last summer.

I think that the evidence is clear.

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, this is a very difficult debate to participate in at this stage since things are changing very rapidly in the Middle East.

We have to ask ourselves the very fundamental question; that is, should Canada have gone to war? Should we have been a participant in that war? Should the

American-led forces have declared war yesterday? My answer to that is no.

I think sanctions should have been given more time to work. Diplomacy should have been given more time to work. It was a mistake to go to war at this time. This war will cost thousands and thousands of lives. Already thousands of people have been killed, many of them innocent civilians, children and people who have no responsibility whatsoever for Saddam Hussein.

At the same time, I, like anybody else in the country, agree that Saddam Hussein is a madman, a person who has been a very destructive person, and that he has to be stopped. The question is: How do we stop him? I maintain—and I think a lot of people in this country maintain—that the way to do that was through sanctions.

• (2120)

First, I want to talk about the war. The question is, should this country go to war? If we believe this country should go to war, then I think, as the politicians who make that decision, we should believe that our own children, if they are of age, should go to war.

I want to personalize this for a few minutes. I have a 17-year old son and I do not believe he should go to war in the gulf. If I do not believe he should go to war in the gulf, how can I vote for any resolution that would ask another Canadian young man or young woman to go to war in the gulf? I ask members to reflect on that. To personalize it, the Prime Minister has a couple of children around the same age as my 17-year old son, Jason. He has a boy and a girl of roughly that age and he should reflect on that. We should all reflect on that.

I received a Christmas card from a constituent in the little town of Invermay who said that her son is with the CF-18 squadron in the gulf. She is extremely upset that Canada is involved in this war. She asked me in her letter, if Joe Clark had a son the same age as hers, would he be so gung ho about going to war. These are some very personal questions, but I think we have to answer them honestly as to how we would react about our own families and the people who are close to us, and then try to expand that to other people in the country because we are all Canadians. As a matter of fact, we are all citizens of the world, not just Canadians, and war is a devastating thing.

Some 22 years ago when I was first elected as a member of Parliament in 1968, I was one of four members of Parliament who over a three-year period volunteered to be an observer in the Biafra-Nigeria war. I spent seven days in the war zone. I saw bombs dropping. I saw people attacked by MiG fighters that flew over us in the middle of the night. I saw anti-aircraft fire on the MiGs. I saw people dying in hospitals because they had been bombed and shelled. I was in sick bays where people were dying of starvation, mostly women and children. I saw the effects of war and how these people had been ravaged by war. It was an experience that profoundly changed my life in terms of how I look on the consequences of war.

That Saddam Hussein is a dictator and a madman, we all agree. But there are a lot of little kids in Iraq and in Baghdad and all across that country who are not responsible for Saddam Hussein. They have been killed already, will be killed tonight, killed tomorrow and the next day. There are kids in Tel Aviv, innocent people in Jerusalem, who are under attack tonight because of the consequences of that war, people who have no responsibility whatsoever.

What has happened is fundamentally wrong and I think our country made a very serious tactical error when it decided to participate in an offensive mission in the gulf. We should have participated as we did in the enforcement of sanctions, but we should not have engaged our military in any offensive way. Instead, we should have been using that military for humanitarian purposes and in a peacekeeping role, a role which has probably now been sacrificed because of our involvement against Iraq in this particular war.

We should have pursued sanctions. There was some evidence that sanctions were beginning to work. Ninety-seven per cent of Iraq's exports had already ended because of sanctions. Some 90 per cent of its imports had already ended because of sanctions against that country taken by the multinational forces. Industrial production in Iraq had declined by some 40 per cent since August last year, and the gross national product in Iraq had declined by 30 per cent since the month of April. The largest suppliers of arms and parts to Iraq had totally stopped supplying Iraq.

It was a mistake for our country to become involved in an offensive military way. It was a mistake for the United Nations forces, led by the United States, to attack at this particular time.

There is a lot of killing. There will be a lot more killing. There is a very serious possibility that this thing can escalate a lot more than has already happened in the last 24 hours.

We should reflect upon the failure of humankind to be able to resolve our disputes through peaceful and non-violent ways and some of the hypocrisy that we see around the world. Only a few months ago the Americans were supporting Iraq. The Soviet Union and the French were supplying Iraq with arms to balance off Iran two or three years back. There was the Soviet involvement in Afghanistan and how we all condemned that, but of course there was no force used against them. The Americans talked about a new world order after their involvement in Nicaragua, Panama, El Salvador, and Vietnam. Some people said: "Well, sanctions would not work because we tried them for four or five months in Iraq," and yet we had sanctions working in places such as Rhodesia and South Africa.

If we had given sanctions a few more months, even a few more weeks, or maybe a year or so, we may have avoided killing tens of thousands, and maybe hundreds of thousands of innocent people all around the world. I do not say only in Iraq, I say all around the world. When you drop a bomb on Iraq, that bomb reverberates in the ghettos of New York and may reverberate in Yorkton, Saskatchewan, or in Montreal, or any other part of this country.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, since this afternoon we have heard frequent references by government members to peace and to Mr. Pearson. All I can say is that as a result of recent events, it will be very difficult for us in Canada to maintain our position as peacekeepers, a position we earned at great cost. From now on, we will no longer be perceived as neutral peacekeepers. As they say in English:

[*English*]

—"When you unleash the dogs of war, you never know on whom they are going to turn."

[*Translation*]

Today's events prove the situation is becoming increasingly horrifying and catastrophic. I deplore the fact that Mr. Pearson's approach no longer prevails, and I must say that what worries me most, Madam Speaker, is the question of the government's agenda, its political and its military agenda.

My comment is this: Why didn't the government recall Parliament at the beginning of January or the end of December? Did the government know something about the military agenda and did it arrange its own political agenda accordingly?

We see that Canadians are torn on this issue, at a time when we should be united. We have a Parliament that is torn. Members contradict each other. They express all kinds of opposing views, at a time when we should be united, because today, this evening, the situation is catastrophic in this country. In concluding, Madam Speaker, I want to tell the government and government members that I have the impression they have developed a political agenda around their knowledge of a military agenda.

• (2130)

[*English*]

Madam Deputy Speaker: Questions or comments. Is there rebuttal? The hon. member for Yorkton—Melville.

Mr. Nystrom: Mr. Speaker, I do not have time because my friend from Edmonton wants to make a few comments, but I will pick up on one of the comments made by my friend from Ottawa. He made a comment that Parliament should have been called back in December or January, and I certainly agree with that.

This is a very serious situation. I believe that Parliament should have been called back. I believe that there should have been a question put before the House of Commons and the question should have been along the lines of: Does the House of Commons agree with the proposition we should send Canadian soldiers to war in the gulf?

That question was never put to the House of Commons. We should have had a free vote on that question by all three parties in the House, plus all the independents of this House; that the members of this House of

Commons should have voted according to their conscience or according to the wishes of their constituents. I think that is what we should have done.

The most important issue we are ever going to face in Parliament is the issue of peace and war. When we decide to send young Canadian men and women off to a war in a different part of the world, then surely to God it should not be the government of the day making that decision in the cabinet rooms without the full and free debate and consent of the House of Commons, regardless of what party that member of Parliament represents.

That has been a fundamental failure in this process. The Canadian people deserve nothing less. "Deserved"—I will put in the past tense—nothing less because the decision has already been made. Canadian people deserve nothing less than the Prime Minister coming into the House of Commons, putting on the Order Paper the question of whether or not we would participate in offensive military action in this country. He should have put that question on the Order Paper and we should have had a free vote of all members of the House of Commons.

Now surely that is the least we could have expected from the Prime Minister of Canada. I just wish that the government backbenchers across the way would have screwed up the courage and insisted that their leader allow a free and democratic vote on this issue. They did not do it, and now the country is going to pay for it.

Mr. Ross Harvey (Edmonton East): Madam Speaker, Canadian participation in the war in the gulf is a terrible and tragic mistake. Indeed the war itself is a terrible and tragic mistake.

In every forum that I have had made available to me for the last several months, I have argued that point. The fact that war has been declared does not now make what had been the prospect of a wrong war into, now, the reality of anything other than a wrong war, a terrible tragically mistaken war.

Before I get into the question of what is wrong with this war, I would like first, however, to salute and to declare my complete support for the brave women and men serving in the Canadian forces in the gulf. To them we owe a debt that we cannot ever pay for they are preparing to incur on our behalf horrors—and perhaps final horrors—that we can never experience. At least, I pray we never have to experience them.

What I have to say tonight about the war in no way reflects on the high esteem in which I hold the women and men that we have sent there to fight on our behalf. Indeed, Madam Speaker, the women and men of all of the forces fighting in the gulf, and of all the civilian population living there, on them are the horrors being visited about which we only talk.

The government has advanced three and a half arguments for Canada's participation in the war. I would like to deal briefly with each in turn.

The first is that we must engage in this attack on Iraq and this war, or we will have failed to support the United Nations. That is bunkum. It is bunkum from a couple of points of view.

The first is that the resolution that authorized this war, resolution 678, states in its all-important paragraph 2 that the Security Council "authorizes member states to—use all necessary means to uphold and implement—" resolution 660 and so on, having to do with removing Iraq from the gulf.

It "authorizes" the member states. It does not compel them. But it authorizes them to use all necessary means. It does not specify the means. To say that we are compelled by resolution 678 to engage in a war is false. It is utterly and completely false.

Because it is false you will find that the active combatants in the gulf thus far number precisely five. Of those 31 member states which we have been told repeatedly in this House are among those states enforcing the actions of the United Nations in the gulf, precisely five are engaged in hostilities.

Among those others that have been named, Argentina, which by the way is there with war ships and 100 troops, has said that its troops will not fight in any offensive role.

Czechoslovakia has sent 200 anti-chemical warfare troops. They have no offensive capacity. They are there in a strictly defensive capacity.

Denmark sent one small frigate. This ship was sent to enforce sanctions and will stay if war breaks out, but it is not playing any offensive role.

Italy, with eight Tornado fighter bombers, has required that a parliamentary vote be held before any of its forces go into action. That vote has not been held and is not anticipated.

New Zealand sent two C–130 transport aircraft and a medical team. They have no offensive role envisaged for these forces at this time.

Norway sent one coast guard ship. Again, this coast guard ship has no offensive capacity.

Even of those states involved in the enforcement of sanctions in the gulf, the overwhelming majority are not involved in offensive action in the gulf. This is to say nothing of the literally scores of good upstanding members of the United Nations who are not even in the gulf enforcing sanctions. One thinks of Germany, for example.

So that argument is nonsense.

The second argument is that sanctions are not working, and this has two sub–arguments. The first: proof that sanctions are not working is that Hussein has not withdrawn, so obviously the sanctions are not working. That argument could have been made the day after the sanctions were imposed. You impose the sanctions, you wait a day and Hussein has not withdrawn. Therefore the sanctions do not work. That is the logic that we are being asked to eat here tonight. In fact, that logic holds right up until the day before the sanctions do work.

Setting that aside, it has been argued in this House that strategic goods are getting through and that Mr. Hussein's forces are being built up despite the sanctions. This argument has been made most forcefully by the Secretary of State for External Affairs. He has refused to cite the sources on which he bases his argument, but let that pass for the time being.

Let us consider, not taking my word for it, the word of some fairly knowledgeable Americans, including the former secretary of defense and former CIA director James Schlesinger who, appearing before the U.S. Senate Armed Forces Committee on November 27, said, and I quote: "The embargo, backed up by a naval blockade, is the most successful ever achieved aside from time of war. Early on, it was officially estimated that it would require a year for the sanctions to work. It now appears to be working more rapidly than anticipated. In three months, civilian production in Iraq is estimated to have declined by some 40 per cent; oil exports are essentially nil; and export earnings have dropped correspondingly."

He says as well: "the probability that the economic sanctions will result in a satisfactory outcome is very high."

Or, if you don't like him, try Admiral William Crowe, the former chairman of the U.S. joint chiefs of staff, appearing before the same committee on November 28, said: "The embargo is biting heavily in my judgment. Given the standard of living Iraq is used to and the increasing sophistication of Iraqi society, it is dead wrong to say that Iraq is not being hurt. It is being damaged severely. That also, I believe, goes for the Iraqi military, which depends on outside support."

If that is not enough I have another quote from William Crowe: "I would argue that we should give sanctions a fair chance before we discard them. . . If, in fact, the sanctions will work in 12 to 18 months, instead of six months, the trade–off of avoiding war with its attendant sacrifices and uncertainties would, in my estimation, be more than worth it."

Or, how about General David Jones, former chairman of the U.S. joint chiefs of staff, quoted before the same committee: "the risk is that the problems inherent in maintaining the offensive military option could create—", I am sorry, that is an argument I do not have time to make tonight. However, still quoting the same gentleman, General Jones: "its his industrial capacity", that is to say Hussein's, "the fact that he is losing $20 to $30 billion in hard currency per year, that he is not getting military supplies. It is the fundamentals of his country, as opposed to the food. And as his hard currency dries up, the smuggling will—you know the smugglers want hard currency." So, the sanctions were working before they were so heedlessly abandoned.

• (2140)

The last major argument that the government has is that we must go in because Kuwaitis are being wiped out and nothing we could do could be anywhere near as bad.

I quote from an article in today's Edmonton *Journal*: "Brothers pray for safety of parents still in Kuwait". I quote from the article:

> Two brothers from Kuwait prayed for their parents' safety Wednesday night, listening to the TV in horror as American bombers attacked Iraq.

> Said and Sadi Karaman left their parents, a brother, and a sister in Kuwait City when they came to Canada on student visas in January.
>
> Although a letter two weeks ago indicated their parents were fine, repeated attempts to reach them on the phone Wednesday night failed.
>
> "I just want my parents here," said Said, 21, his voice shuddering.
>
> Although he was angry when the Iraqis invaded, the Kuwaiti people could have solved their own problem, Sadi said.
>
> "(The attack) isn't going to liberate Kuwait. It's going to be war. The peaceful solution would have been better."

That is the only Kuwaiti I have seen directly quoted in my hometown newspaper.

The last argument the government may have used is that the Canadian people were behind this. But, they are not. They are opposed to it. In my riding I have had 36 phone calls; three favour war, 33 are against. I have had six letters; one was for, five were against, not counting the letter I read into the record the other night.

In conclusion, and I am sorry I have not been able to lay before the House all the evidence I had hoped to in these brief 10 minutes. I would just say that what Canada is embarked upon at this time is a terrible and tragic mistake. It was wrong two days ago. It was wrong yesterday. It is wrong today. We must withdraw from that war and we must do everything we can to bring that war to a halt as quickly as possibly we can.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, in congratulating the hon. member for Edmonton East for his very impressive speech, I would like to ask him to expand for a moment on his concluding remarks when he was pulling his argument together and tell the House and the people watching this debate whether, in his opinion, we would be in this terrible mess tonight if the sanctions would still be applied tonight in the Middle East.

Mr. Harvey (Edmonton East): Madam Speaker, I thank the hon. member for his question. Had the sanctions been allowed to continue to bite ever deeper—first into Saddam Hussein's national Iraqi economy, but more importantly, into his ability to maintain his war-making capacity—there would have been no need for war.

The current director of the CIA, in testimony in the United States, two former chairmen of the CIA, two former directors of the American joint chiefs of staff, all testifying before various congressional committees, said the sanctions would in all probability work. In fact, they were already working. For whatever reason, that considered and informed opinion was deemed wrong. I have yet to hear any opinion expressed in this House to the contrary to which I would lend anything close to the same credibility.

Mr. Ken Hughes (Macleod): Madam Speaker, I wonder if the hon. member would tell us what kind of a serious situation we might face in a year if we were to give Saddam a year or perhaps two years in order to prepare his war machine, to continue to prepare for a battle which he seemed to be prepared to take on regardless of the consequences.

I am surprised to find a gentleman of that party at probably the only time in my life that I will hear him quoting such sources as the CIA and the joint chiefs of staff of the United States of America as his authorities to build his arguments. But, perhaps it occurs to the hon. member that things change, that the statements he was quoting earlier were subsequently proven incorrect. No, I do not suggest that the hon. member would ever listen to that kind of an argument.

Madam Speaker, there are members in this House, including members of the party of the member who just spoke, who say that this is not our war.

When is it our war? Is it when they move into Saudi Arabia? Is it when they move into Jordan? Is it when they try to move into Israel? When is it our war? When is it that the interests of Canada, of the United Nations and of world peace are not our interests?

Mr. Harvey (Edmonton East): I attempt, whenever I am mounting an argument, to cite the most credible sources I can find. That is how I attempt, logically, to examine a question.

I am sorry, but again I say I have heard nothing in this House that bears anywhere close to the credibility or indeed the fullness of the testimony of these gentlemen before the various American congressional committees. And, as to the question of what would happen in a year, I would just give him two brief quotes. One is from General David Jones, and I quote:

> In the area of military hardware, we and our allies can repair and replace our equipment as needed, while time works against the Iraqi armed forces.

The current director of the CIA, William Webster, said in his testimony of December 5, and I quote:

> At current rates of depletion, we estimate Iraq will have nearly depleted its available foreign exchange reserves by next spring.

It is the foreign exchange reserves they use to buy the bootlegged, strategic material on the black market which the hon. Secretary of State for External Affairs was talking about. If they do not have the foreign exchange, they do not have the means to make war.

Mr. Stan Darling (Parry Sound—Muskoka): Madam Speaker, I submit to this House that Saddam Hussein is an evil that has advanced so far the world could wait no longer to take decisive action.

I know all Canadians tonight are thinking of our Armed Forces, men and women who are certainly putting their lives at stake in defence of freedom and in defence of world order. Certainly this is not a case, as the opposition and a great many others would have us believe, of a war for oil only.

On August 2 of this past year Iraq brutally invaded Kuwait, deploying more than 150,000 soldiers, 1,200 tanks, and some 1,000 armoured vehicles. Swiftly capturing Kuwait City, Iraq began a systematic ravaging of Kuwait's resources and population.

In fact the independent human rights organization, Amnesty International, recently documented a long list of cases of torture, rape, brutality, and so on inflicted on the Kuwaiti people. Canada is part of the United Nations sanctioned alliance which has been sending a clear message to Saddam Hussein that acts of armed aggression are no longer tolerated by the international community.

Over a three-month period, the United Nations Security Council has adopted 12 resolutions with respect of the Iraqi aggression in Kuwait. The debate in the House of Commons that began on Tuesday is on a government motion reaffirming Canada's commitment to United Nations resolution 678. I support whole heartedly the motion. Canada, as a member of the United Nations sanctioned alliance, has sent a message to Saddam Hussein that it would use military force if Iraq did not withdraw from Kuwait. As of last night, the United Nations coalition moved to make good on that pledge.

I strongly disagree with the Leader of the Loyal Opposition who indicated that at the first sign of military action Canada should withdraw from the gulf. With your friends you stand shoulder to shoulder, especially in hard times, and I can assure the House that Canada is not a fair weather friend. Prior to the outbreak of hostilities in the Persian Gulf, many voices were raised saying that any military action in the gulf would be a United States action. Nothing could be further from the truth.

• (2150)

The force present in the gulf representing more than 30 nations is sanctioned by the 12 resolutions of the United Nations Security Council and is backed by near unanimous support. The world is united in its condemnation of the Iraqi aggression against Kuwait and the Iraqi aggression against the rule of international law.

Canada's role in the region and its support of resolution 678 are based solidly on our historical commitment to the United Nations as the preferred instrument for preserving international peace and security. Indeed, the actions of Canada and all nations currently in the Persian Gulf have been under the auspices of the United Nations. In terms of the military action that commenced January 16 under UN resolution 678, the charter of the United Nations clearly provides for the kind of action which has been taken in the region in the past. The United Nations was unable to undertake such measures because of the constraints of the cold war. The effect had been to prevent any direct intervention by the United Nations.

As it stands now, there is no contradiction between Canada's present role in the gulf and the peacekeeping roles we have undertaken in the past. Where Canadians are having a problem with Canada's present role is that Canadians are not used to sending ships, planes, and soldiers to areas where conflict threatens. We are used to our military forces putting on blue United Nations helmets and going to places where cease-fires had been declared and where we were enforcing a truce and not preventing a war.

However, just as the United Nations role is evolving in the post cold war period, so is Canada's role as a peacemaker. Interestingly enough, the idea of peacekeeping as Canadians have come to know was at one time new. When Lester B. Pearson designed the first United Nations force which helped to end the Suez crisis, there were many voices raised opposing what Canada was doing in that particular situation. Those same voices said that Suez was none of our business. The voices of doubt were wrong then, and they are most certainly wrong now. From the courage shown by most Canadians then a great United Nations tradition was

born and a long and honourable Canadian commitment was made to peacekeeping.

The crisis in the gulf is taking place in a new international climate brought about by the end of the cold war. The acquisition of territory by brute force has represented a dangerous behaviour for most of this century. Iraq's actions represented a fundamental challenge to the international community in an era where the end of the old superpower rivalries had opened the way for a more co-operative and harmonious approach to resolving international problems and protecting peace and security.

At the present juncture, Canada and the world community, working through the United Nations, have invested heavily in a collective international response to Iraq and with good reason, apart from forcing Saddam Hussein to comply with international law, the success of the current undertaking could serve as a model for future meaningful collective security actions.

The United Nations followed a balanced, carefully considered course of action and sought Iraq's unconditional withdrawal from Kuwait, preferably as a result of political and economic pressure. With the passing of the January 15 deadline, the United Nations sanctioned alliance took decisive action.

Those who still insist that the United Nations alliance should have waited for economic sanctions to work have their heads buried deeply in the sand. The bottom line is that Iraq had no intention of withdrawing of its own volition from Kuwait.

Canadians are by nature a peaceful people and beyond any doubt did not want to see a war in the Persian Gulf. The prospect of war in the gulf disturbs me deeply and personally, as I have three grandsons who are of military age: 18, 19, and 22. Believe me, nothing would have been more welcome than a resolution of the crisis without conflict.

However, what has to be seriously considered is the fact that peace is not accidental. It must be constructed and maintained, and sometimes at a tremendous cost. The protection and maintenance of international law and order and the containment of a dangerous renegade country are interests worth fighting for. What is happening in the gulf will work in the way its founders envisage.

Canada's role in international conflict has been one of creative diplomacy tied to the United Nations. Our most creative diplomacy has been in the building of international institutions founded on shared principles, on the rule of law, and on the creation of collective powers to respond when these principles were violated.

These are the achievements of our diplomacy that we must now defend. If we do otherwise, our diplomacy will have failed, not just in this current crisis but in what we have been doing for 45 years.

Some Canadians wish we were not in the Persian Gulf. We all share that sentiment. We wish Iraq had not invaded Kuwait, but responsible nations must deal with facts, not wishes. Regardless of how well intended, Canada is a responsible nation. The fact remains that the peace was not kept. Iraq did invade Kuwait. Canada, along with over 30 nations, is in the gulf to seek peace and defend order, just as we have done in the past.

Iraq's invasion of Kuwait is a crucial test of the United Nations in the post cold war world. Anything less than full support for United Nations resolution 678 would betray over 40 years of hope for the United Nations charter and its collective security provisions. If we succeed in the gulf, the signal will be clearly sent for all to witness that war as an instrument of foreign policy will not work.

What is at stake in the Persian Gulf is not territory or oil, but the preservation of the rule of international law. For these reasons and more, I am supporting our government's motion reaffirming Canada's commitment to United Nations resolution 678.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, we all know where the question and comment come from, since we are in that period, when I say: Ask not what the country can do for you; ask what you can do for your country. What we can do for our country tonight and in weeks to come is probably put aside our partisanship politics and speak as one voice in this House in support of our troops who are there.

I am pleased that all members who spoke from the three parties, as well the independent members, have

been doing that. If they did not verbalize it, I know it was in their hearts because I have spoken to them outside the House also.

The question is: How can we support our forces now? I am glad everyone is recognizing the danger that our troops are in and the importance of showing them that we are solidly behind them. However, there are other foot soldiers there who maybe we have forgotten. It reminded me of the foot soldiers when we were watching the TV in the lobby last night. A CBC reporter from a hotel in Baghdad was reporting, and all of a sudden the TV went blank. Immediately everyone was horrified that the hotel was bombed or struck and that this reporter's life may have been in danger. Thank God his life was not in danger.

• (2200)

Watching in the lobby today, similar incidents are happening. Reporters with gas masks on are reporting to us that 10 missiles landed in Israel. In our support of the troops let us not forget these other important foot soldiers who are there, men and women. If it were not for them, we would not know what is happening in the gulf today.

I want to ask a question of the hon. member, though. Has his government given any support to the media personnel who are over there reporting to us in this excellent manner?

Mr. Darling: Madam Speaker, as far as support, I am not privy to what has been taking place over there. I certainly pay great tribute to the people in the media who have been giving us a very vivid and frightening picture of what took place last night, today and I guess tonight. If there is any need for support, there is no doubt that the government will do everything possible.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I want to ask a question of a very respected colleague. I am sure he truly believes in what he said, but I will say that I vociferously disagree with he has said. That is certainly allowed.

I understand that this day is soon going to draw to a close, but I want to touch on the the issue of sanctions one more time and whether they would work, did not work, or could not work. My colleague from Edmonton gave more proof as to the plausibility of sanctions working. Certainly the Secretary of State for External Affairs suggested that undetected products were going through and therefore the sanctions were not working. This depends on reports from an ambassador from Asia. It did not cite the country, nor did the minister.

Sanctions are working no matter what anybody says. The government said that it is time to end the sanctions and that one of its reasons is that with sanctions Saddam Hussein would take the food from the children and give it to the soldiers. I guess our response to that is: let's bomb the heck out of them, let's just bomb them and continue to bomb. Is that the solution to the problem?

Given the choice, most people would prefer hunger to death. Once again, I ask the member, as we have asked so many people: What was wrong with sanctions? What was wrong with giving them the appropriate time, whatever that time might be?

Mr. Darling: Mr. Speaker, in reply to the hon. member for Sault Ste. Marie, sanctions do work but they do not work very fast. In this particular case, there have been months in which sanctions have been applied, in which every opportunity was given to Saddam Hussein and his government, although he is really a one-man government and a real dictator. Apparently he felt that the coalition of the United Nations was bluffing. Every action was taken.

What is Canada going to do? Canada has made a modest contribution of 2,200 personnel, give or take, none of whom are ground troops. Our navy and our air force are there to protect and to assist.

I would point out to hon. members and to that saintly group in the corner, who seems to think that it has a corner on all morality, that a great many other countries are supporting the position Canada has taken. Canada has 2,200 troops at stake there. The United States has probably a half a million. Even the opposition in Great Britain, the Hon. Neil Kinnock has supported the present situation of using force. Australia, another Labour government, socialist government, has us supported it whole-heartedly. But the saintly NDP would have us withdraw our troops and sit back like cowards, and then, when the war is all over, we would get up and wave the Canadian flag and say: "Now we are able to help you. Wipe the blood and sweat of your face", and so on.

[*Translation*]

Mr. Denis Pronovost (Saint-Maurice): Madam Speaker, thank you for this opportunity to speak to the people of Canada and to the residents of the riding of Saint-Maurice.

First, allow me to offer my best wishes and congratulations to the new Leader of the Opposition, the hon. member for Beauséjour, who was recently elected to the House of Commons. As you know, he represented my riding for 23 years. He is a close friend whom I have known for 20-odd years, and I want to offer him my best wishes on his return to the House of Commons.

Madam Speaker, I know that in your capacity as member for Saint-Hyacinthe you too would like to express your heart felt sentiments about the war that has broken out in the Middle East. I know you would be able to reach deep into our hearts by your humanitarian observations. Knowing you as we do, we are also convinced that without political partisanship you would be in a position to tell the House how important it is that international order be maintained.

That being so, Madam Speaker, I should like to point out two things. This House is made up of three parties and a few independent members who have already expressed their views. Some of our colleagues took a partisan approach, others were more generous in their remarks.

However, my father taught me that great occasions in life enable us to differentiate men from children. All partisanship aside, Madam Speaker, I became aware of that after the appeal of the Prime Minister as I watched the behaviour of the three main parties. The Canadian public has been able to see how the government, the Liberal Party and the New Democratic Party behaved.

They found that the members of the Liberal Party of Canada who make up the Official Opposition were able to a certain extent to rise above partisan politics. Through their leader, they said that what really mattered, under these very serious circumstances, was Canada's reputation.

In this respect, even if I do not usually share the views of the Official Opposition, I must recognize that the members of the Liberal Party were able to show restraint.

I wish I could say the same thing about my socialists colleagues of the New Democratic Party. Unfortunately, again, they decided as usual to criticize the government's position. They proved to be unable to show common sense and to recognize that Canada's national interest transcended partisan considerations. Such was the behaviour of the New Democratic Party of Canada today. That, Madam Speaker, is the kind of medicine the citizens of Canada must sooner or later evaluate in relation to this whole matter of concern to them.

• (2210)

I would like to state briefly some of the feelings I experienced last August when I had the opportunity and the pleasure to travel to the Middle East with the hon. member for Western Arctic. On that occasion, we visited Israel, Palestine and Egypt at the very moment when Saddam Hussein was threatening Kuwait with possible sanctions. We went through some extremely difficult situations in that country.

One thing I learned, Madam Speaker, is that it is very difficult to separate the good from the bad. We met with Israelis and Palestinians, two peoples living in the same country but with very different objectives. They each had their own reason for wanting to live peacefully in the Middle East. Some will consider the Israeli as the good guys and the Palestinians as the bad guys. Others will do the exact opposite. But the truth is probably not that simple. What we are going through tonight seems even more complex, when we realize Israel did not reply to the first attacks againt its state.

Madam Speaker, for more than 40 years, experts have been predicting this war. For over 40 years, throughout the world, experts have said that some day the situation in the Middle East will get extremely explosive. This crucial time has come. And in this crucial crisis, Madam Speaker, our government and our people are left with but one option. We have the option of regrouping around our common denominator, the United Nations.

The United Nations have in their history gone through extremely difficult periods. However, they assured Palestinians in occupied territories minimal living conditions at a time when they were in a most difficult situation.

The United Nations Agency for Palestinian Refugees is largely financed by the Government of Canada which is one of the largest contributors of the United Nations for Palestinians.

I think our government, in the last few years, was able to show flexibility. We are friends of Israel, of course, but we are also capable of compassion towards Palestinians.

Today, in spite of Canada's diplomatic action, in spite of the tens of millions of dollars we spent trying to insure peace in the Middle East, in spite of the Nobel Peace Prize awarded to the late Lester B. Pearson, in spite of all our efforts over decades, Madam Speaker, we have come to a point of no return. Saddam Hussein is putting us in a position where we cannot go back. Canada, America, the United Nations and the world have no choice. We have no choice in the matter and I think the position taken by our government and the one of the Liberal Party—and I will close my comments on that—is that of reason in supporting our troops and our government. I think that the New Democrats should, in all conscience, review their position, which is too partisan and, for now, totally out of synch.

Madam Speaker, I know my time is up. I thank you very much.

Madam Deputy Speaker: I give the floor to the government House Leader, for a point of order.

Some hon. members: Questions and comments.

Madam Deputy Speaker: The hon. member for Hamilton–East will certainly wish to tell me what to do, but I recognized the government House leader on a point of order, which has precedence over questions and comments. The hon. House leader has the floor.

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, as the House is aware, earlier this evening Iraq initiated an attack against Israel, a country that is not part of the coalition that is acting in concert to get Hussein out of Kuwait.

As a result of that heinous act, the opinions and sympathies of the Government of Canada have been made known to the Government of Israel. The Prime Minister had hoped and expected that he would have sufficient information about the events to come to the House and report on the circumstances. As it is, the information is rather fragmentary. It is still incomplete and, for that reason, he is unable to come this evening.

Therefore, Madam Speaker, in view of the circumstances and the fact that the debate we are now having keeps changing in its parameters, hour by hour, minute by minute, I was going to suggest that, after discussions with the House leaders of hon. members, perhaps there might be a mood to suspend the sitting, as we did last night, and to return tomorrow morning at 10 o'clock.

That was the purpose, simply to inform, because some people had expected the Prime Minister to be here. He would have been here but, for the reasons I have just given, he was unable to do so. I rise on a point of order for the purposes of making that suggestion, for which there has been discussions among House leaders and on which I understood there was some agreement.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, we on this side of the House share the distress of Canadians and I take the proposition of the government seriously.

We accept the fact that the Prime Minister will be here tomorrow morning to answer questions. We also accept the fact that we should maybe go back home and reflect on this very serious situation.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, we, too, recognize the horror which has occurred this evening and, in light of the changing situation and the unfortunate situation now, the escalation in hostilities, I think it is only appropriate that, until adequate information is made available, that we suspend until 10 o'clock. Presumably, we would then resume the debate at 10 o'clock tomorrow morning.

[*Translation*]

Mr. Kindy: Madam Speaker, I would like more information about the proposal. Are we going to carry on with the debate on the same subject tomorrow at 10 o'clock? If so, I agree; otherwise, I refuse my consent. Could the Government leader answer this question?

[*English*]

Mr. Andre: Madam Speaker, it would be my intention to proceed under the existing Order tomorrow morning at 10 o'clock, which would mean the same question.

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I rise because I feel that we are going to go through. Many would like to leave now, maybe tomorrow.

In all humility and as kindly as I can, I say to the House leader that next time that he wants to make a statement, it will only confuse and make life more difficult in the House. Just come and say so.

We are not fools. We will accept your making a statement. We know what is going on. But I do not think that using a point of order to make a statement is the right way.

Some hon. members: Oh, oh!

Mr. Prud'homme: Well, you do what you want, but you may need a lot of agreement. I say, kindly, to all of you, you may need a helluva lot more agreement than you think to terminate or to continue the debate. That is not the way to proceed.

You may disagree. Instead of saying, "come on," just listen. You may say, "I disagree," and that is it. I do not understand this kind of putting off any members with whom you disagree.

It is a tough enough time just to have an orderly debate, and I feel it get more and more difficult. That is all I am trying to put to the House.

[*Translation*]

Hon. Jean Lapierre (Shefford): On a point of order, Madam Speaker.

Madam Speaker: The honorable member for Shefford on a point of order.

Mr. Lapierre: Madam Speaker, the Government leader said: "it would be my intention". I want more than his intention, I want a certainty.

[*English*]

Mr. Andre: In view of the hour and so on, I have given my assurance to the House. As is customary in this House, we accept each other's assurances.

As I said before—and I should not have to repeat this, the hon. member should accept my word—we will return to this existing order of the House tomorrow morning at 10 o'clock.

• (2220)

[*Translation*]

Mr. Lapierre: Madam Speaker, I think that these lessons of morality are out of place tonight.

[*English*]

If the House leader wants to play smart ass, he will not get anything.

Some hon. members: Oh, oh.

Madam Deputy Speaker: I may be able to help the House and we would not need to end this evening with words that some of us may regret later.

The Government House Leader came to the House, in the normal way and as it has been done in the House forever. When that type of an announcement has had to be made, it was done by making a point of order.

[*Translation*]

It is really on a point of order that the Hon. minister came to the House. He called the attention of the Speaker in order to communicate these details to the House and then to move a motion. So, I do not believe that that was unusual.

The motion, as moved by the minister, asks that the sitting of the House be suspended tonight. That means that, tomorrow, we would simply pursue the same business. I think that I have perhaps clarified the situation for some members who feared a change in the order tomorrow morning.

In these circumstances, is there unanimous consent for the House to suspend its sitting now until 10 o'clock tomorrow morning?

Mr. Kindy: On a point of order, Madam Speaker.

Mr. Deputy Speaker: The hon. member for Calgary Northeast on a point of order.

Mr. Kindy: Madam Speaker, I am not quite sure yet that we will resume this debate tomorrow. I would like the leader of the government to confirm that tomorrow morning we will be debating the same subject.

SITTING SUSPENDED

Madam Deputy Speaker: If the hon. member for Calgary Northeast would care to wait and listen, I will try to reassure him. The sitting is not adjourned, it is suspended. Consequently, tomorrow's business will be a continuation of today's business. Is there unanimous consent to suspend the sitting?

Some hon. members: Agreed.

Mr. Deputy Speaker: Since there is unanimous consent, the sitting of the House is suspended until 10 a.m. tomorrow.

At 10.23 p.m. the sitting of the House was suspended.

[*Editor's Note: For continuation of proceedings see Volume B.*]

HOUSE OF COMMONS

Thursday, January 17, 1991

[Editor's Note: Continuation of proceedings from Volume A.]

SITTING RESUMED

The House resumed at 10 a.m. on January 18, 1991.

Mr. Speaker: So that hon. members are clear as to where we are this morning, the sitting was suspended last night. We are carrying on with the sitting and will resume debate.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, as you have just indicated, technically it is still yesterday. We want to assure the House that it is not our intention to interfere with Question Period and to allow members' statements. I believe there would be unanimous consent for the following motion:

> That notwithstanding the order made Wednesday, January 16, 1991, Statements by Members pursuant to Standing Order 31 be called this day at 11 a.m., followed by Oral Questions at 11.15 a.m., followed by resumption of debate on government business No. 27 at noon.

Mr. Speaker: Before hearing the hon. member for Ottawa—Vanier, may I ask the hon. parliamentary secretary what has been the arrangement with respect to Routine Proceedings.

Mr. Cooper: I think at this point that we could probably proceed without Routine Proceedings, but if it is the wish of the Official Opposition or others to have Routine Proceedings, we would not have a problem with that.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, you anticipated my question. I think we would agree to treat today as an ordinary day in terms of procedure. At eleven o'clock we would go to Statements by Members with the usual Question Period followed by the Routine Proceedings of the House and then resume whatever order is called.

In the motion put by the parliamentary secretary, the last few words are that the Question Period would be "followed by resumption of debate on Government Business No. 27 at noon". That was not part of our negotiations, Mr. Speaker, but if it is part of the motion, then I guess we will have to have further consultations at this time.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, as being one of the others, as the parliamentary secretary referred to us, first of all I want to acknowledge that this Question Period and opportunity to present statements is the result of some generosity on all sides. I want to say on behalf of the New Democrats we appreciate the generosity that made this possible.

We support the notion of having Routine Proceedings immediately following Question Period, as we would normally do on a Friday. That is probably appropriate in light of the issues before us. Perhaps further negotiations can take place as to what transpires later on in the day.

We support this proposal enthusiastically, Mr. Speaker, and I simply want to acknowledge to my colleagues our appreciation of their support for continuing with Question Period today.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I wonder if the parliamentary secretary might clarify whether it was implicit in his comments and his motion that Private Member's Business will not be heard this afternoon. I hasten to say I have a private member's bill which I think would involve some leadership by all the MPs to do something about our obscene pension plan. I would like to know whether his motion implies that private members' bills will be swept away too.

Mr. Cooper: Mr. Speaker, this has nothing to do with the words used by the hon. member, to wipe out Private Members' Business. Technically, as much as my watch shows that it is Friday, the table clock tells me it is Thursday. It has been a long week and I could believe either one of them. In fact, Mr. Speaker, what we are doing is trying to make an exception to the order to cover both Members' Statements and Question Period.

To meet the concerns of the House leader for the Official Opposition, we would be prepared to remove the last sentence from the motion which says, "that followed by resumption of debate on Government Business No. 27 at noon". I do not have a problem with that particular sentence.

Mr. Gauthier: Mr. Speaker, again the member from Edmonton anticipated what I was going to ask. I think that if the government removed the last few words of the motion, it could possibly accommodate the member from Edmonton. I said "could" possibly accommodate the member from Edmonton.

• (1010)

Mr. Speaker: Before we get into a great debate on that, let me, as I understand it, make clear what the procedure is. No matter what the calendar may show, we are still on Thursday and, as a consequence, unless the House wants to do something about it, we would proceed today as if it were Thursday. That ends the issue with respect to the hon. member for Edmonton East, no matter how important his bill may be.

Mr. Riis: Mr. Speaker, I am seeking clarification. There were suggestions that we delete some phrases; I am not certain which phrases, before we are asked for our consent for this motion. Could I have a clarification from the parliamentary secretary to the government House leader? What exactly is the wording of the motion we now have before us, for which there is a request for consent?

Mr. Cooper: Mr. Speaker, I want to be really clear. The intention of this motion is to allow the House and the members of the House to have the normal members' statements, which would take place on a Friday, and also the normal Question Period which would take place on a Friday. I can read the motion again, as it would be now, having removed the last sentence.

> That, notwithstanding the order made Wednesday, January 16, 1991, Statements by Members Pursuant to Standing Order 31 be called this day at 11 o'clock a.m., followed by Oral Questions at 11.15 o'clock a.m.

Mr. Riis: Mr. Speaker, I apologize for taking the time of the House but, since this is the first time I have seen this sheet and the first time I have had this discussion, I want to be clear what we are agreeing to.

I want to ask the parliamentary secretary a question. Does this mean that we will cease discussion on the motion, prior to Question Period, that the House will then be suspended and we will resume on Monday? I am not clear as to what we are saying, in terms of the future of this debate.

Mr. Cooper: Mr. Speaker, I am finding myself drawn into a rather interesting bit of negotiations and discussions here. I want to be very clear. As the situation is right now, if we do not agree to this motion, then we will continue with Motion No. 27 which would be uninterrupted until that debate collapses.

What I am suggesting to the House in making this offer is that we would interrupt debate to have members' statements and Question Period and then, at that point, we resume Government Orders and we have the traditional opportunity for the government to call whatever at that point. I say that simply because I would like to be in a position to not have the negotiations on the floor but to talk to any and all members, when we proceed at this point. I am not trying to restrict members. I think that Question Period has always been important to members of Parliament, on all sides of the House, and we do not want to take that away from members today.

Mr. Riis: I believe that the wisdom that went into the drafting of this motion earlier was great and that the wording that is before us ought to be the wording that we now agree to. This provides us with a flexibility but, at this moment, I cannot agree to a motion that could end the debate on this critical issue.

I am willing to negotiate, as we always are, around the clock to try to facilitate the business of this House in a meaningful way and I would suggest that he seek unanimous consent for the motion that is in writing before us now.

Mr. Kilgour: There seem to be some misunderstandings. I think it would be better if we had the the next speaker. Then we could perhaps negotiate involving all of the parties, including the independent members, and come up with something we can all give unanimous consent to.

Mr. Speaker: There has been a certain amount of anticipation of other people's helpful interventions already this morning. I might say the hon. member has anticipated the remark that I am about to make, which is a suggestion that we proceed with debate. We have an hon. member seeking the floor. It seems to me that hon. members may be very close to a resolution of this.

In view of the fact that there is not actually consent at the moment for the motion, I would propose to proceed with debate.

I am sure the parliamentary secretary, the House Leaders, and other members could have a discussion and they might be able to indicate to me at some appropriate point in a little while what has been agreed to.

Mr. Prud'homme: I rise on a point of order, Mr. Speaker.

The last speaker last night was the the hon. member for Saint-Maurice. He had just finished his speech and we were just about to enter questions and comments. Even if he is temporarily absent, I had indicated I wanted to make a comment or two on the graciousness of his speech.

Madam Deputy Speaker, who was here last night, has just reminded me that there were two or three minutes remaining.

Mr. Speaker: I have some sympathy with the hon. member's request. I think that hon. members will remember that it has been customary in such cases when there is a break in the proceedings and at the recommencement of the proceedings, if the hon. member is not here, then we have to proceed to the next hon. member.

If it is any comfort to the hon. member for Saint-Denis, he has indicated what he would have like to have said. Perhaps there will be another occasion or another place where he can speak.

Mr. Prud'homme: I have no questions for him. It is just a comment.

Mr. Speaker: I understand that, but the hon. member is not here. He is no doubt on other business.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, last night I was about to speak when the House adjourned and this morning I was about to speak when we were interrupted by House procedure discussions. I feel as if I have been called back to the starting gate for the third time.

This has been a very emotional debate in the House. I appreciate those speakers who have stated that there should not be any politics involved in this issue and that we should be hitting the high road in this debate.

As I listened to the hon. member for Parry Sound—Muskoka last night, who is my neighbour geographically, I could not help but feel that our listening audience and our ratings last night would be considerably low because for the first time in history people are watching an actual war unfold. It is quite a change in modern technology.

My regret is that this debate did not take place last week. We were brought back here a week too late. A serious debate took place in the United States Congress a number of days ago and it voted last week. That is what we should have done. Nevertheless, we did not do it.

People wonder why there should be different points of views on this entire issue. We should not be surprised that there are because in the United States Senate the vote was very narrow: 52 to 47. Yet, when it was over, they joined forces to support their military community and those who are working to bring about a settlement of the Middle East situation.

• (1020)

There has been a great debate on this issue as to whether or not sanctions worked. I have a list here of the ways the sanctions were working. Others say they were not working. Others say there were extenuating circumstances that required the bringing about of the war at an early stage. However, that is all *passé* now. The event is upon us.

With regard to diplomacy, how can you practise diplomacy when you have a dictator who does not want to give in on anything? Therefore, the only thing we really had a hope of practising was the sanctions. As the war goes on and as the tyrannical dictatorship in that country finally realizes that it cannot continue, that is when you will get diplomacy.

We have had a long debate in the House, but I am sure that everybody, to the last individual, will support our forces in their efforts to bring about a settlement to this issue.

In speaking about our forces today and for the past number of days, the second field hospital unit, which is located on Base Petawawa just three miles from my home, has been getting ready to go to the Persian Gulf. I

understand from reports there will be possibly over 500 people who will go with it from all across Canada. We in the House want to say to them that we wish them well. We are proud of the way they are serving Canada, and we are proud of the way our Canadian forces always exercise three key points.

There is their ability as military personnel. The idea some people may have is that as soon as "military" is mentioned, that everybody is agressive. That is not the case. Our military is a professional community.

The forces are very good at diplomacy as well, and they have proven that time and time again in their United Nations work.

The third parameter is rather an odd one to attribute to people wearing the Canadian forces uniform, but it is true to a degree. That is, they are politicians too, because they have to work with people from other countries and they have to work to settle problems that face them from day to day, and month to month, individually. They have to provide advice to the civilian leadership of this country and they do it very well.

We have ships in the Middle East and have had them there for some time. We have 24 CF-18s there and a large number of ground support. To those people, we extend our appreciation for what they are doing. There is a lot of warmth in Canada for the service people who are over there now and certainly for those who will go hereafter.

Before the break at Christmas, I visited the town of Arnprior and associated my remarks and support with a group that was sending Christmas packages to the entire crew of a ship. There are people as well who are organizing other events of communicating with our forces who are over there. I hope that will go on and I would encourage Canadians right across this nation to do that sort of thing. Get the names of people over there and send them letters and gifts of various kinds from time to time. It is very important to their morale.

This is a serious and a solemn issue and must be treated as such. We in the House must continue to take a very high road in that regard.

What we are witnessing today in the Persian Gulf is a high tech war of the kind that has never taken place before in world history. We are going to see more of this unfold in the days ahead.

As I was preparing this talk, I could not help but let my feelings wander back to the days when I was very active with the NATO parliamentary group here. I still am, but at that time I was leading the parliamentary group to international conferences with the 16 NATO countries. That was a tremendous experience because it taught me how to understand the culture of other nations, their political systems, the special things that affected them in relation to their economy, and, of course, their customs.

If we are going to be effective in the international community, the first thing that we must know is something about the other person's way of life. That is the bridge that we need in international affairs.

As I prepared this speech, I could not help but think of the tremendous amount of high tech military equipment that has been developed by precision science over a number of years that is in the NATO alliance and also situated within the Warsaw Pact. Nothing has had a greater impact on world history than the sudden collapse of the communist states in eastern Europe. It has brought about a relaxation of those horrendous groups, one facing the other in Europe. As we see this high tech unfolding today, can we imagine what we have been delivered from if a war had broken out between the NATO Alliance and the Warsaw Pact? It would have been devastating on world society.

I could not help but think of that great biblical verse that "God works in mysterious ways, his wonders to perform". I think that He has delivered us from that catastrophe.

Now, today, having been given the gifts to think, to work constructively, to work with other people on the face of this earth, we must bring forth our greatest qualities and our best efforts to improve the United Nations organization. We must put it in place as a very effective world referee-negotiator, diplomat, and the organization that will continue to support human rights, international boundaries, and international protocol.

This ongoing international issue in the Persian Gulf and the Middle East is one that has consumed every member of the House and, indeed, all Canadians. There are many times in the affairs of the human race when

peace does not come easily. I do not say this in a way that I mean to be insensitive nor, in any way, would I say it in order to create fear, because we do not need that at this time.

I had the honour and the privilege to travel to Dieppe for the anniversary of the Battle of Dieppe with the Hon. George Hees and a delegation from this Parliament. I believe it was in August 1987. The way that generals in those days ordered those young people to go into Dieppe in that raid was an inhuman act.

• (1030)

The veterans who were back there at that time were remembering that day and how real it was to them. The question mark is still on military minds as well as on everybody else's minds as to whether that raid should have even been ordered.

As one sees the markers of those young people, 18, 19, 20 and 21 years of age, it brings one back home with the sincere and deep feeling that we who hold the responsibility of public office, backed up by those well meaning people across our country, should be doing everything we possibly can to bring about effective diplomacy in this world. That is one of the most important things that this nation can practise. We must work with others to put even more teeth into the United Nations.

As I outlined, the high-tech military materiel is in place today, and will be in place in the future to a greater degree, and nothing is going to be more important to the human race than to have sensible people who can bring about a world policeman who is effective and who can settle disputes. Indeed, when force is necessary in the end, they must be prepared to support that too, as a world police organization.

We visited Normandy and Holland. Think of the impression that we can have on the world as a Canadian nation. On one of our NATO visits we had a Remembrance Day ceremony, even though it was not Remembrance Day, at a major cemetery in Holland. It was out in the country near a number of beautiful trees. As we looked down those rows of markers from the cenotaph where our ceremony was taking place, we saw coming in from the fields of the community the Dutch farmers in their farm clothing, with their hats in their hands. They stood around the cenotaph with us as we performed our wreath-laying ceremony and said our prayers.

Those are the things that have a great impact on an individual. Again, they send you home with the idea that you must try to be a better and more constructive person in the politics of your nation.

We have some great people in this House, on both sides. I wish this debate had taken place a week earlier, because it is now almost redundant, with the exception of the following through and the questioning of what is going on from day to day.

Let us make up our minds today, as we have in the past, to move forward in a constructive and effective way to be ready to practice diplomacy when the moment is right. Even now, we must look forward to the day when this war is over so that Canada will be in the forefront in an attempt to tone down and settle some of these horrendous problems in the Middle East that have been going on for 5,000 years. That is going to be a major role for this nation.

In the Korean conflict we joined with the other UN forces under the United Nations flag. That event was a success. In the Suez crisis we went in again under the United Nations flag. That proposal was brought about by that outstanding Canadian, Lester B. Pearson.

Lester B. Pearson was Prime Minister when I entered the House. He was a personal friend of mine. I had great admiration for him, and to me he was almost like a grandfather. He had a great effect on my thinking as a young parliamentarian. I have never forgotten many of the things that he said because he was a man of great common sense. Indeed, it was he and the Right Hon. Louis St. Laurent who can be credited with a major input into the founding of the United Nations organization in San Francisco on October 24, 1945.

We have to build on what they started. Indeed, it has been a tremendous achievement for Canadian statesmanship. That must go on and we must be prepared to tackle these issues seriously. Today, it is Iraq. Tomorrow, it will be someone else. The machinery must be in place, both from the human point of view and from an enforcement point of view, to settle those problems.

The United Nations was brought in with the idea of building a new world order. The respect for international boundaries became paramount and is still paramount today. That is what this present war is all about, that and economics. So, we must remain strong to the principles

of international order, respect for international boundaries and international protocol in the years to come.

Last night we saw the attack on Israel. It is madness, yes, but it is part of the failure of the human race. You cannot negotiate with a tyrant, but you can do everything possible to maintain international law.

I mentioned the other battles in world history where the UN flag was used to cover the entire forces which went into battle. I sincerely hoped that this present war could have been carried out under the United Nations flag. As it is, each nation is there under its own flag. In future, in order to strengthen the image and effectiveness of the United Nations, we should have these international conflicts under the command of the UN.

We can still have generals. We will have key people in place, but it will be an international order emanating from a unified group of nations under the UN. It will have to be a commitment on the part of all members of the United Nations, and their expertise and their input will have to be used to settle international problems.

I want to end with one very realistic saying. Tied up in the improvement and the sponsorship of UN forces in the future is the saying that I have heard on many occasions: "Wars are started by old men and fought by boys." Today, wars are fought by both boys and girls.

As we debate this issue of the war that is presently going on, let us look beyond the horizons and fully prepare ourselves for the challenges in the future. There will always be someone looking for world power. There will always be someone greedy. So, let us commit ourselves to improving the United Nations and international order in the world in the years to come as well as now.

• (1040)

Mr. Pat Nowlan (Annapolis Valley—Hants): Madam Speaker, I have a question for my very good friend who has many years of experience here. I listened to his speech with interest, particularly to that part about the United Nations and the honour Mr. Pearson brought to Canada with his participation in peacekeeping.

The purpose of my question is to try to clarify some of the confusion I see in this very serious issue in Her Majesty's Loyal Opposition.

Is it the hon. member's position that, if the allies were there under the formal blue flag of the United Nations then some of the disagreement in Her Majesty's Loyal Opposition about the motion of the government would disappear and thus there would be more of its members in favour of the government motion?

Mr. Hopkins: Madam Speaker, when I mentioned the governments, I did not put a Liberal label on them when I was talking about the United Nations and the input into it. I was trying to be broad and a bit statesman–like on these very important issues.

It was a Liberal government that committed forces to Korea under the United Nations. It was a Liberal government that asked that the Suez crisis be settled with the use of a United Nations force. I, and I am sure many others, would feel much more comfortable if this event were carried out under the United Nations flag. Having played a major role in the founding of the United Nations, if we do not support that organization and its flag over the years in these world controversies, then we are letting down those great statesmen before us.

I stated very clearly in my speech that in future contests I would prefer to see all forces under the United Nations' flag. We can still use the great expertise from those many nations to handle the UN force.

The hon. member was a classmate of mine. We came into the House together and he is very sensitive to this issue as well. He is very close to some of those great issues.

Canadian work within the international community over the years has been very important and it is important that we continue to support the UN flag. I would say to my hon. friend that it is not just a symbol I am talking about here. The message I am really trying to get across is that when we go into an international conflict without being under the United Nations flag, while our operations can still be very effective it tends to weaken the image of the United Nations organization in the eyes of the world. Our main aim under the United Nations is to

pull all nations and people of the world together to settle these conflicts.

We all know that half of the problem in settling disputes is that people will not talk to one another. However, if we have them in a major organization, then they will have to talk to one another and many of these disputes would not arise in the first place.

I am convinced that every party in the House should be aiming toward supporting the UN flag because that is the international organization we want to see handling all these great issues in the years to come.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my colleague has been in the House of Commons for a long time. As a result of this experience, I wonder if he would give me his comments and reactions to the following.

It seems to me that few people talk realistically about the casualties of war, how many people die, and how they die. For example, the Pentagon often refers to war with words such as outcomes and scenarios. I would like to compare that with recent remarks by Brigadier Patrick Cordingley, commander in chief of Britain's seventh division who said, while referring to this particular conflict:

> It is going to be the sort of warfare people never realized, or could have expected. The public is not prepared for what is about to happen. And we have got to prepare the—public for a particularly unpleasant war. They should be told there will be a lot of casualties.

I am assuming that he is talking not only about soldiers, our own and Iraq's, but as well about children, seniors, and many other people who will be the victims and casualties not only in terms of death but in terms of injuries.

A final quote from Admiral Gene Larocque of Washington's Centre for Defence Information, a military think-tank which opposes the gulf war. He has estimated that there will be several thousands of casualties for the Americans and the allies, but that the over-all casualties will probably exceed one-quarter of a million.

I am wondering if my hon. colleague would give me his reaction to those comments.

Mr. Hopkins: Madam Speaker, that is an excellent question and those are excellent comments, because they fit right into the main thrust of my speech.

I said that what we are watching today is high-tech warfare. I mentioned what an horrendous calamity it would be for the human race if the war in Europe between the communist east and the free west had broken out because of all the high-tech equipment positioned within both of those camps over the years.

There is no question but that the person he quoted from the Pentagon was right on, because with the great destructiveness of high-tech equipment today tens of thousands of people can be killed in very short order. I do not think the nation has come to realize that the precise bombing going on with high-tech equipment, for example against Iraq today, is being done in order to try not to have great casualties in the civilian population. But that is not very much comfort. It is just lessening the problem a bit.

If there were some World War I veterans listening to my hon. colleague's question today and my remarks, they would probably say to us: "World War I and World War II were no picnics either". We cannot downplay that statement because the trench warfare in World War I was a disaster. We had people coming home who had been gassed. They had lung problems and physical problems the rest of their lives, lost limbs, and so on.

War is hell, no matter what generation it is in and no matter what kind of equipment is used. Today, we have equipment that can really destroy a whole nation and indeed the world. This is why I am saying what I am thinking today and that is why that I have changed the thrust of my debate.

I have tried to bring a different perspective to it by saying that it is time all free nations and responsible nations of the world get with it and decide that they are going to support a very strong United Nations organization, and that organization must be prepared at all times to police international problems and to negotiate international problems.

Yes, at some stage down the road force may become necessary in any event, but at least the best we can do as human beings is try to lessen the problems. No matter how hard we work to bring about a world order, we are not going to get perfection. But, if we do not try, we will not even come close to it.

• (1050)

I thank the hon. member for that very important question because it really ties in with the great destructive forces available to mankind today in a war.

If ever there were a time in the world history that we need sanity among people, responsible leadership within our nations, responsible members of Parliament who are willing to stand up and be counted on the issue of enforcing international law through the United Nations and to support the UN and indeed reform the UN, if we can make it a better body, than it is now. We must be looking at that as well.

That is why I emphasize the importance of Canada being at the forefront and centre in any conferences or meetings that take place to try to lessen the problems in the Middle East and bring about some solutions. We are not going to be perfect at that either, because other people have not been perfect for 5,000 years, but at least we can improve the situation. The important thing is that we all act like responsible individuals, bring world order back, and be prepared to settle these issues in the future.

Finally, the underlying factor is that under the UN flag the nations of the world must commit themselves to the United Nations and add strong support to bring about future peace in the world. If we do not have peace, if we are going to stand alone out there, we all are going to go down together if we do not act responsibly from this day on with high-tech warfare.

Mr. John E. Cole (York—Simcoe): Madam Speaker, when I stand today to talk about the motion before this House, I find it very difficult. Obviously the situation has changed tremendously from when this motion was first brought forward.

I know everyone in this House and in this country wants us as members of Parliament to do everything possible to bring peace to the world. Really, that is what we are talking about today and that is what we have been talking about for the last few days: to bring about an international order which will bring peace to this world. When we talk about this motion, we are talking about bringing peace to the world.

We must recognize that it was almost six months ago that Iraq breached the international peace agreement by invading Kuwait in an unqualified and unprovoked act of aggression. That was when the war began. That was last August 2.

The UN Security Council, the international group of nations empowered to maintain law and order in the world, passed a resolution at that time condemning Iraq, demanding that Iraq withdraw from Kuwait and that both sides negotiate. That was the initial reaction. That was back on August 2. Iraq did not comply. We are all aware of that today.

That was followed by economic sanctions and the authority given to the allied forces and member nations to enforce those sanctions. I for one was a firm believer that those sanctions were going to work. I think everyone in this House believed those sanctions were going to work.

However, most of us recognize the ineffectiveness of those sanctions, the fact that those sanctions were hurting the civilians. They were hurting many people, but effectively they were not doing anything to the military powers within Iraq.

As we have gone along in this course of events, many resolutions have been put forward by the United Nations. In fact there have been 12 in all. They relate to the unacceptable breach of the UN, the holding of foreign nationals, Iraq's liability under the fourth Geneva convention as it relates to war crimes, altering the sovereign position of Kuwait, and destroying Kuwait's records. Those are atrocities that the international peacekeeping organization and the world cannot tolerate.

Canada has been very involved in those resolutions and those attempts to bring peace to the world.

Mr. Cooper: I rise on a point of order, Madam Speaker. I believe you will find unanimous consent for the following motion:

> That, notwithstanding the Order made Wednesday, January 16, 1991, Statements by Members pursuant to Standing Order 31 be called this day at 11 o'clock a.m., followed by Oral Questions at 11.15 o'clock a.m. until 12 o'clock noon.

Mr. Kindy: Madam Speaker, I rise on a point of order. Could there be a decision whether we resume debate after Question Period?

Mr. Cooper: Madam Speaker, I can confirm that immediately following Question Period at twelve o'clock noon we will be returning to Motion No. 27, the one presently before the House.

Madam Deputy Speaker: I understand there is unanimous consent for the parliamentary secretary to move the motion, and I understand that there is consent to approve the motion. Is that agreed?

Some hon. members: Agreed.

Motion agreed to.

Mr. Cole: Madam Speaker, I think Canada as a country has been very involved in this process of negotiation, debate and attempt to resolve this problem peacefully. Canada was a co-sponsor and co-draftee of virtually all those motions. Canada has played a very responsible role as a member of the UN.

The UN agreed by resolution 678 to allow Iraq one final opportunity, a time frame when Iraq would not be attacked. As a gesture of goodwill by the international community, Iraq was allowed seven more weeks to comply with that August 2 resolution to withdraw from Kuwait.

The UN as the keeper of law and order in the world was forced to respond. Canada is a member of the UN, in fact a founding member, as has been mentioned quite often in this House recently. Yet, as much as we dislike the actions that will have to be taken—in fact I do not think it is too strong to say that we hate the actions taken—we have an obligation to maintain law and order in the world.

Force is not something that is taken lightly, nor can it be offered in a way that it implies an empty threat. I think that is one thing we must recognize. It is a last resort. I feel we have explored all the options possible to us. When we look at the events which have taken place over the last days, weeks, and months; when peaceful negotiations were taking place; when discussions were taking place to try to resolve this situation; when leaders of nations on an individual basis and even collectively, and even Secretary-General of the United Nations, Javier Perez de Cuellar, said there was no reason to have any real hope, Iraq had never mentioned it was prepared to withdraw from Kuwait.

There are questions that we as Canadians must ask ourselves. What course is right for Canada in the cause for peace? Will Canada stand and be counted? Will we continue to support the international coalition, or will we stand aside and hope that others uphold the rule of law?

Collective security is what this crisis is all about. It is important to be clear that it is not about the defence of democracy. It is not about oil, nor is it about supporting Washington. The principle at issue is simple and straightforward. Collective security and the defence and construction of an international order where aggression is rejected are what this principle is about and what the United Nations resolutions are all about.

Canada does not have a policy of war.

• (1100)

Canada has a policy of peace. Our policy has been designed to achieve a peaceful solution to the international crisis. If we check the speeches of the Prime Minister and the Secretary of State for External Affairs of the other day, which stated all the things that have been offered and all the attempts that have been made, there is only one person who can realistically offer peace to the world today. That man is Saddam Hussein.

Madam Deputy Speaker: I must interrupt the hon. member. He can continue when debate resumes.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

GULF CRISIS

Mr. Al Horning (Okanagan Centre): Madam Speaker, I rise today on behalf of an overwhelming number of my constituents who support the government's action in the Persian Gulf and to say how proud they are of our armed forces personnel who are involved.

What concerns me is that the member for Okanagan—Shuswap, who has often criticized us for not listening to the majority of our constituents, is toeing his party line and is not supporting the United Nations action.

In a poll done in his constituency yesterday by radio station CJIB, when asked the question: "Are you in favour of UN action", 390 people said yes and 43 said no. That is 90 per cent in favour. When is the member going to listen to the overwhelming majority of his constituents?

S. O. 31

APPEAL FOR PEACE

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, as this made-for-TV war unfolds, the still, small voice for peace becomes harder and harder to hear amid the din of guns and planes.

During the first few days of conflict, it has not been the voice of Saddam Hussein that has been silenced, but the voices of an unknown number of innocent men, women and children.

Therefore, I would like to read from a letter sent to our Prime Minister by the Mennonite Central Committee on January 11.

"If now, in the hope filled post-cold war era, non-military methods are abandoned so readily, then the prospects for resolving other disputes by peaceful means are greatly diminished, allowing militarism to continue with its exploitive, destructive and death-dealing effects".

These are the words of a people who have done much thinking about the issues of war and peace over the last 450 years. I beg all hon. members to pay them some heed.

* * *

ISRAEL

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, on hearing of last night's attack on Israel, my first thoughts were for friends in Israel, that they and other Israelis had not been hurt.

We now know, of course, that innocent victims have died and our hearts go out to them and their families. We hope that Israel and Israelis will be spared further attack.

This unprovoked aggression reminds us of the tremendous price Israel pays simply to exist, and I am sure that everyone in this House supports Israel's right to defend itself.

Yesterday morning, we were hoping against all hope that this would be a short war. Today, things are not so optimistic. Saddam Hussein has now had the opportunity to see the destruction that this war will bring. Is it too much to hope that he may now be open to appeals to withdraw from Kuwait and bring an early end to this war?

ISRAEL

Mr. Peter L. McCreath (South Shore): Madam Speaker, nothing more graphically illustrates the international necessity of stopping Saddam Hussein than his reckless and cynical attack on Israel, its cities and its civilians. Saddam is callously trying to provoke a broadened war, one that could lead to a global conflagration.

Yesterday we heard some eloquent speeches in this House about the reported losses of Iraqi lives. While all members of this House are concerned about casualties and loss of life, be they Iraqi or otherwise, the deaths of his own people are of no consequence to this man.

Only the destruction of this man's military capability will restore international peace and security. I commend the Israeli government for its restraint to date, the courage of its people not to retaliate and urge them to continue to show restraint. The United Nations coalition will deal with Saddam, and the sooner the better for all.

* * *

ISRAEL

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, last night SCUD missiles from Iraq rained down on Israel, proving Saddam Hussein is a man of his hateful word. He had sworn to attack this country which offered no other provocation than to exist. I vehemently condemn this villainous attack on Israel. This further act of aggression by Saddam Hussein is not going unanswered by the allied forces. Reports say the Iraqi Scud launch sites have either been destroyed or are under further attack by the allied forces, and rightly so. I commend Israel for her courageous restraint not to retaliate at once. I hope and pray Israel will continue to place her faith in the allied forces. I further pray that her citizens are not placed in greater peril. World sympathy goes out to the families of Israeli citizens lost last night. Our thoughts are with Israel and the allied forces striving to protect her.

SENIOR CITIZENS

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, earlier this week, St. Thomas University in Fredericton established what they have called a Third Age Centre, under their Chair in Gerontology. Its mission is to give meaning to life at all ages but, particularly, to emphasize that as we get older we nonetheless continue to grow in value and potential as human beings.

In a recent essay, Rabbi Gunther Plaut of Toronto has warned against some attitudes that seem to say, in a society where new is considered better, the elderly are seen as so much extra baggage. In reality, the reverse is true. Never before have senior citizens had such an opportunity to exert their influence towards a better world.

There is truth about the wisdom of age. Never before has the world been in greater need of wise and mature judgment based on long and growing knowledge from real life experience. Especially in these recent days, as hostilities have erupted in the Persian Gulf, there is a world-wide frustration and dismay that mankind has not yet learned some of the most tragic lessons of history.

* * *

ISRAEL

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, in response to the unfolding events in this tragic war in the Middle East, I want to express my personal and party's concern over the unnecessary and unwarranted attack by Iraq against the State of Israel. It is a shock to all of the people in Israel and certainly to the diaspora as well.

I want to comment, frankly, on the remarkable restraint shown by the leadership of the State of Israel in response to this attack. This restraint is a model, I think, for all of the nations involved to ponder and consider, because the most vulnerable, democratic country in the whole region is the only one that is apparently showing the kind of restraint necessary at this time.

I have members of my own family living there. They have been pioneers in that country since the early 1920s. I share, with other families, a deep concern not only for Israelis but for every human being in that region. Let us hope that the restraint shown by the Israeli government will be a model for other nations in the region. Let us hope for a swift peace and let us hope for a peaceful future.

* * *

CANADIAN ARMED FORCES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I know I am joined by all members of this House and, indeed, by all Canadians in conveying our deepest respect and appreciation at this special time for our young men and women in the Canadian Armed Forces who are serving in the Persian Gulf. As well as those in uniform, there are National Defence civilians in support of this very delicate operation, whose dedication and sacrifice have served us so admirably and we are sure will continue to do so.

From all of us, I am sure, well done.

* * *

[*Translation*]

CANADIAN ARMED FORCES

Mr. Jacques Vien (Laurentides): Madam Speaker, Canadian forces are now taking part in operations in the Persian Gulf. These men and women are outstanding in their professionalism and have a tremendous sense of duty. We have every reason to be proud of our people in the forces who are performing their duties with great zeal. I urge all Canadians to support our troops by sending them words of encouragement so they will feel truly supported by the Canadian people in their desire to carry out the missions with which they are entrusted.

* * *

[*English*]

ISRAEL

Ms. Ethel Blondin (Western Arctic): Madam Speaker, it was my experience on July 12, 1990, as my colleagues and I sat on the Mount of Olives, overlooking the city of Jerusalem, that I had come to a land of beginnings, a land of great history. It was there that I truly felt the greatest sense of peace and personal satisfaction I have ever experienced in my travels around the world, never believing that this would be, as it is today, a land of anxiety, fear, confusion and chaos. I guess it is best reflected in the words of Dwight D. Eisenhower when he said: "When people speak to you about a preventative

war, you tell them to go and fight it. After my experience I have come to hate war. War settles nothing."

• (1110)

To those who have the responsiblity for leadership in this war and the ceaseless quoting of the Pearsonian diplomacy, here is what he said: "The grim fact is that we prepare for war like precocious giants and for peace like retarded pygmies."

I have great hope for peace in the Middle East at this time. I would like to share my sorrow about what has happened there. Perhaps if tolerance persists as it is today, then we might have answers to this problem.

* * *

SADDAM HUSSEIN

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, the unbelievable consequences of power in the hands of a madman returns to terrorize the free world. Saddam Hussein's unimaginable atrocities against innocent adults and children, his senseless eight-year war against his neighbours, and his continued refusal to respond to the diplomatic peace efforts of the past five and one half months, have pushed the free world into war.

It is my wish that others in the world who may be contemplating a similar course of action will learn of the senselessness of acts of aggression towards humanity.

I wish to commend the Israelis for their restraint in this crisis. The Israelis position is one that can best be appreciated by those currently immersed in the destruction caused by Saddam Hussein. Our prayers go out to them.

To the men and women of Canada's Armed Forces, a team which has continued to maintain a high level of military competence and tolerance, I offer my prayers as well. May they return home be without incident.

APPEAL FOR PEACE

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, for decades Canadian women, in solidarity with other women around the world, have worked to encourage the use of non-violent strategies of conflict resolution and to end oppression and violence in all their forms.

Women have historically been the victims of war. Women have historically not had a voice in the decisions about wars in which they are the victims. They are the mourning mothers, here at home, or those with their children who are in the horrors of the theatres of war. Women have shown their commitment around the world to peace; women at Greenham Common in the U.K., for example, or Mothers of the Disappeared in Central America.

Today, women across Canada, through demonstrations, through writing letters, through attempting to contact their parliamentarians and through raising the consciousness of others in Canada are appealing to our government to include them in the decision making.

Members of Parliament across the country have been approached by women in Canada who are concerned and want their voices heard for peace. It is time all of us listened to the women of Canada.

* * *

ISRAEL

Mr. Bill Casey (Cumberland—Colchester): Madam Speaker, when I woke up this morning I was sure that the news would tell me that Israel had retaliated against Iraq, resulting in a dramatic expansion of this horrible war. It did not happen.

I want to recognize the restraint shown by Israel by not responding to the attack by Iraq. There was no threat to Iraq from Israel. The attack was not even at military targets, but at highly populated areas in the heartland of Israel. The attack was simply an attempt to provoke a further expansion of the war.

We should remember that this restraint is even more profound and meaningful when we consider that since events during the Second World War, one of the main principles of Israel has been "never again". Never again will they not respond to aggression against the Jewish people.

The whole world breathed a sigh of relief when Israel broke that principle in the interest of containing this war. I know I speak on behalf of many Canadians when I say I am truly grateful to Israel, and I strongly urge them to continue to show this strength, even in the face of more attempts to provoke.

* * *

GULF CRISIS

Hon. Chas. L. Caccia (Davenport): Madam Speaker, at this stage, we have to conclude that the government has dissipated Canada's reputation as a peacemaker in the world. That is a very sad conclusion.

It seems to us, now we are in this unwanted war, that our military efforts should be on the side of providing health, hospital and field medical services. Our role should be one that will increase and not demolish our credibility once the hostilities are over. This is a war. The solution of the problem in Kuwait is not by means of war and it is not a solution that a majority of Canadians support.

Canadians would want to see Canada involved in diplomatic efforts in order to bring an end to this unwanted and terrible situation which is deteriorating by the day.

ORAL QUESTION PERIOD

[*English*]

PERSIAN GULF CRISIS

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, my question is directed to the Prime Minister. Last night Canadians were horrified to learn of the unprovoked attack by Iraq on Tel Aviv and Haifa, the two largest cities of Israel.

I am sure that all members of the House and all Canadians will share with me in expressing our deep sympathy and solidarity with our friends in Israel. It is clear that Israel has shown remarkable restraint in the face of a very real threat to its own people.

Will the Prime Minister tell the House what decisions his government has made in response to the attack of last night?

Some hon. members: Hear, hear.

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, as the government indicated earlier this week, one of the reasons we have been supporting and been part of the international coalition, and the reason why Canada has stood steadfast with the United Nations, was to make sure that an unmistakable clear signal went out to Saddam Hussein about the resolve of this nation to defend international order. That includes standing firm against anybody who attacks a friendly state, such as the State of Israel.

Last night, in the face of this unprovoked attack, I communicated with the Government of Israel and then sent a letter to the Prime Minister in which I said:

> You may be aware that I have strongly condemned Saddam Hussein's missile attack on your country tonight. However, I am writing to you to express my profound sympathy to you and to the people of Israel.
>
> Canada deplores this criminal and unprovoked act. It demonstrates, if anyone was still in doubt, the threat that Saddam Hussein poses to international peace and security.
>
> The attack on Israel was a clear attempt to provoke retaliation in order to bring your country into the war. I know this will not escape your government.
>
> Our thoughts are with you tonight. I wish to express the sympathy of the Canadian Government to the victims and their families. I convey the best wishes of all Canadians to them for a speedy recovery.

The Secretary of State for External Affairs has been in touch with the Minister of Foreign Affairs of Israel. I spoke earlier today with the President of the United States. Canada will take all appropriate action to make sure that Saddam Hussein respects international law and order and the prescriptions of the United Nations, or suffers the consequences.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): We are glad to hear that the Prime Minister sent this message on behalf of the entire House and the Parliament of Canada, because yesterday's attack was entirely unjustified. We feel very deeply about these attacks that were absolutely unprovoked, and we were particularly impressed by the attitude taken by the Israeli government, both during the past few months when faced with verbal threats and yesterday, when those threats were actually carried out.

However, I now want to ask the Prime Minister whether a decision has been made by the government to make available the kind of humanitarian aid Israël and the Israeli people might need in the present situation.

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, late last night I spoke to the Israeli ambassador, and I told him that the government was prepared to provide any humanitarian aid Israel and the moderate Arab States affected by the situation might need.

This morning, the Secretary of State for External Affairs communicated directly with Mr. Levy, the Israeli Minister of Foreign Affairs, to express Canada's sympathy and offer any humanitarian aid his country might need to deal with problems caused by attacks by that dictator, Saddam Hussein.

• (1120)

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I have another question for the Prime Minister. As a result of last night's tragic attack on Israel, there were seven casualties. All members of the House know there are many Canadian nationals in Israel at this moment.

What steps has the government taken to ensure the safety of Canadians who are presently in Israel?

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, in Israel and elsewhere in the region, there are some 14,000 Canadians now.

We are naturally in more than daily contact with our embassies and posts. We have established a system of wardens, whereby members of the Canadian community in each of those countries, including Israel, help the Canadian Embassy keep track of the location and requirements of Canadians.

My information, as of this morning, from Israel and from other countries in the region is that no Canadians have been injured. All Canadians know how to have access to their embassy.

We have, in addition, yesterday established and published an 800 number in Canada for use by Canadians who have relatives or friends in the Middle East. That 800 number of course will work around the clock. I can report to the House that understandably it was very actively used last night. By that means we hope to be able to respond immediately and fully to concerns on the part of Canadians who have family or friends in the region.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I would like to raise a question with either the Prime Minister or the Secretary of State for External Affairs.

The tragic attack last night in Israel demonstrates how this war carries with it the real potential of escalation and broadening of the conflict.

I would like to ask either of the two front-benchers: Will the United Nations Security Council or other agencies of the UN be seized of this particular issue, and will the Security Council be convened immediately to address this new escalation and broadening of the war which adds a new dangerous dimension to the whole conflict? Can the Secretary of State advise us of what role the United Nations and its agencies will be playing in response to this new development?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, the Secretary of State for External affairs was in touch yesterday with the Secretary-General of the United Nations, as we have been on a fairly regular basis from before the outbreak of hostilities, with a view to finding a formula that would persuade Saddam Hussein to respect the decisions of that international body.

We maintain that, if a signal from Saddam Hussein would have been his intention to respect the law and withdraw from Kuwait which he illegally occupied, it would have had a beneficial effect on the attitudes of the members of the Security Council. But we are now engaged in a campaign now and Canada is there with other members upholding the United Nations, making sure that his war machine will never again be used against innocent neighbours and against states in the region such as Israel.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, we have heard that response before.

My more specific question is: Would the new dimension added to this conflict as result of the attack last night bring about a convocation of the Security Council to address that and to determine what means might be employed by the international body to try to limit the conflict?

In particular, in Canada's own case, in response to a question I raised yesterday, the Secretary of State for External Affairs indicated that the Government of Canada was interested in maintaining lines of communication so that signals could be transmitted.

We understand that the Secretary of State has ordered the expulsion of Iraqi diplomats. I would ask if he could confirm that. If that is the case, can he tell us what lines of communication the government would then be continuing so these signals might be passed back and forth so that whenever it is appropriate we can find a way of bringing this conflict to an end?

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, it may very well be a surprise to the hon. member, but it is a surprise to few others that there is a capacity for escalation in the activities of Saddam Hussein. He attacked Kuwait. That was an escalation. It is highly probable that had he not been stopped, he would have gone on to attack Saudi Arabia. He has made lethal threats through the peace against the State of Israel. Last night he began to carry out those threats. The hon. member should not pretend to be surprised by this escalation.

That capacity for escalation is precisely the reason that the United Nations was already seized of the grave threat that this aggression by Saddam Hussein posed to the world and was determined to take actions to stop it. We had hoped that we could stop it peacefully and diplomatically, but we were determined that we would stop it in any event.

When it became clear, first, that diplomacy had gone as far as it could and, second, that the time the people sought for the use of sanctions was being used to perfect chemicals weapons, to perfect biological weapons, to pollute the Persian Gulf, and also to extend the network of terrorist possibilities available to Saddam Hussein, then we believed it was time to act. That is the view of the United Nations. That is the view of the Security Council. The way to stop escalation is to stop Saddam Hussein.

An hon. member: Right on.

Some hon. members: Hear, hear.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is directed to the Prime Minister. We join all members of the House and did so last night in decrying the particularly unjustified attack on Israel and, indeed, sadly the predictable attack. It has been one of the reasons why this party felt that getting into this war without having exercised all other options was exactly what this could lead to.

I want to add my voice to those who have said very sincerely to Israel that we admire their restraint and their contribution to the world community by trying to exercise restraint.

Some hon. members: Hear, hear.

Ms. McLaughlin: As has been mentioned earlier, of course, there are many Canadian families who have relatives and friends in Israel, as there are others in Canada who have relatives and friends in the region. I was pleased that the Secretary of State for External Affairs mentioned that there will be an 800 number.

I would just ask the Prime Minister again if there is other assistance that is being given to all those in Canada who have relatives and friends in the area? What is the Canadian government able to do for those people to allay their fears and make sure that communication is available to them?

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, I think that the consular number, the 800 number, is one important step because that allows individuals to identify precisely their concerns and allow us to respond.

But I think that the Leader of the New Democratic Party refers to another important element of this. There has been great restraint shown by Israel and the House respects and encourages that.

It also has to be said that there has been great restraint shown by the Arab countries and indeed by those of Arab origin in this country and that, too, should be encouraged by all of us in the House.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): This should be recognized by us.

We have our consular people established as a task force, available to do everything that we can. This is not a traditional situation. If there are new or other things that need doing, I would hope that the Leader of the New Democratic Party and, indeed, others in the House, would suggest them to me. Within the range of our capacity, we will do everything that we can.

As the Prime Minister has said, in terms of humanitarian assistance, we have communicated immediately to Israel and also to Jordan the willingness of the Government of Canada to be of extra help with regard to humanitarian requirements.

• (1130)

Hon. Audrey McLaughlin (Yukon): A supplementary, Madam Speaker. I appreciate the information the minister has given. I think it is useful, not just to us but to Canadians watching.

Of course one of the tragedies of this war is the displacement and hardship on civilians, all those who have not been involved in the conflict but certainly are victims.

We understand that Jordan has opened its borders and there are a number of refugees fleeing now and some who have fled there in the past. I understand that the United Nations has estimated there could be about 1.5 million refugees as a result of this war. I understand also that the United Nations has undertaken an augmented relief fund.

Can the minister tell the House what other humanitarian measures the Canadian government is going to take to assist these refugees, to assist victims of this war so that we can play our part in that aspect of humanitarian need?

Right Hon. Joe Clark (Secretary of State for External Affairs): The House will know that when this crisis was caused by the attack by Saddam Hussein against Kuwait, there were immediate impacts upon third countries, particularly caused by the outflow of refugees and the movement of displaced workers. Jordan was one of those and Egypt was another.

The package of actions the Prime Minister announced in early August included contributions in the neighbourhood of $75 million by the Government of Canada for humanitarian purposes. A little more than a third of that was directed to Jordan and a little less than a third of that to Egypt and contributions to other places in the world. That has already been done.

I am seeking to reach the foreign minister of Jordan by telephone this morning to communicate directly to him the Prime Minister's message to King Hussein, asking the Jordanians to indicate areas in which it would be helpful for Canada and, indeed, the rest of the world, but for Canada specifically, to offer further help. We think that it is in these circumstances most efficient to respond to needs as they are identified by the countries which have to deal directly with the problem. We are doing that and we are prepared, again with in the limits known to the House, to consider other initiatives that would be helpful in the circumstances.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Madam Speaker, I have the following question for the minister. As he said in his reply to my colleague, there is a war on, and Canada supported that war. At the same time we must plan for peace, for the end of the war. I want to ask the minister whether Canada is now taking part in diplomatic initiatives within the United Nations or with other countries, first to find a way to end this war and second, to promote peace in the region in the future.

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, with respect, I must correct part of what the hon. member said. Canada supported the United Nations. Canada is supporting international law and order.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): What Canada supports is the integrity and security of Kuwait, Israel and other countries that may be attacked by Saddam Hussein.

As for what may happen after the crisis, after the conflict, I have already had some conversations with the Secretary–General of the United Nations, in the course of which I advised him that the Prime Minister and myself were interested and determined to maintain close liaison with the Secretary–General and the United Nations on the subject of seeking ways to make speedy progress after the end of conflict.

This morning, I spoke to Dr. Abdel Mejuid, the Egyptian Minister of Foreign Affairs. We discussed the situation in the region and other issues but we also talked about what would have to be done once peace is restored. A peacekeeping activity was mentioned in which Canada might play a role, and we also touched on other political and humanitarian questions.

[*English*]

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, as my leader and this government has said, we admire the incredible restraint that has been shown by Israel at this time in the face of, really, unprovoked attack.

I think that in the interests of peace in the Middle East, they even deferred their right to self-defence. That is quite an incredible undertaking, and I would presume that all of you as leaders, particularly sitting in the cabinet or ex-cabinet ministers, must know what it means to let their constituents down in a sense.

That is what the sense in Israel is right at this moment. I think and I hope they appreciate the interests of world peace.

I was listening carefully to the Minister of External Affairs whose courtesies I have appreciated. Can the government tell this House what further steps are being taken militarily and diplomatically by the United Nations to ensure that no further attacks will take place against Israel and to ensure the safety of Israel, which is presently being held hostage in the Iraq-Kuwait war?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, I should tell my hon. friend that, as she might have noted from the response of the Government of Canada last night and from my remarks in the House of Commons some three days ago, this government has always taken as a matter of policy that the ultimate objective of Saddam Hussein would be an attack on Israel.

I conveyed to the House that this would be unacceptable to the Government of Canada. I indicated why it would be unacceptable. I indicated why we would resist it in all circumstances. For that reason, I communicated this morning with President Bush and had a lengthy conversation with him in regard to the present security status of Israel.

My hon. friend is quite right. Israel has exercised remarkable restraint. That restraint is not eternal. The coalition forces have, since that incident and will today, be taking action of such a persuasive nature against Iraq that we believe and hope that will obviate the need for the state of Israel to respond at an early moment.

I have always recognized that no one has the right to tell the state of Israel when and how it must defend itself. A nation of its suffering and of its extraordinary heritage, Israel always has the right to defend itself, and always has. I hope in the circumstances that the response of the great coalition, which seeks to preserve fundamental values, will persuade Israel that perhaps waiting at this moment is in its interest and in the interest of the cause of peace.

Some hon. members: Hear, hear.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I believe the government has noted Israel's tremendous patience. Let it not be tried any more.

[*Translation*]

The Canadian tradition has always been to help war victims. Sadly, innocent Israeli families are now in this tragic situation.

Does the government have other plans to help the people of Israel?

Right Hon. Brian Mulroney (Prime Minister): This morning, the Secretary of State for External Affairs called Minister Levy of Israel to let him know that Canada is prepared to offer all available humanitarian resources, and that we would do so gladly and immediately.

The minister also told Mr. Levy, who voiced his appreciation, that the government also intended to offer its assistance to King Hussein and had also mentioned this to the Egyptian Minister of Foreign Affairs. Not only did Minister Levy agree but he was delighted with Canada's decision to maintain and intensify its humanitarian aid to Israel, Egypt and any other non-belligerents in the region.

• (1140)

[*English*]

Hon. William Rompkey (Labrador): Madam Speaker, my question is for the Prime Minister. Last night in response to the unjustified, unprovoked and callous attack upon Israel the Prime Minister said that Canada may play a new role with its allies in retaliatory action aimed at Iraq. I want to give the Prime Minister an opportunity now to tell Canadians specifically what he had in mind and if perhaps today he has issued new orders through the minister of defence to the chief of defence staff that could involve a change in position or mission for the Canadian forces or could, perhaps, mean sending additional Canadian forces to the gulf such as CF-18s or ground troops. Would he tell Canadians more specifically what he had in mind when he made that statement?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, the government has not, following a meeting of the cabinet this morning, issued new instructions to the military. We are examining all possibilities with our intelligence and military officials and with allies around the world. I referred to a conversation with President Bush this morning. There were conversations between the Secretary of State for External Affairs and the foreign minister of Egypt and with the foreign minister of Israel earlier today. We are examining all possibilities that would allow Canada to assist in a constructive and helpful way the prosecution of a very important initiative now under way in the Middle East.

Canada is not a superpower. Our military means are limited and we use them traditionally only with the greatest of care and reluctance. But I have no reluctance in telling you that while the mandate has not been defined because we are presently examining all of the options, Canada will not sit idly by in the face of unprovoked attack upon friendly countries. We are an ally and full partner in the coalition set up by the United Nations to drive Saddam Hussein out of Kuwait. We will play a full and, if need be, a growing role and commit the necessary resources to ensure that justice is brought to that area of the world.

Some hon. members: Hear, hear.

Mr. Jim Peterson (Willowdale): Madam Speaker, the attack on Israel last night gives to that nation one of the most difficult dilemmas any country can face. It is a Hobson's choice. If they restrain themselves as they have and do not defend in order to protect the multilateral coalition, they may be encouraging Iraq and/or other countries to aggress or take advantage of the situation.

Might I ask the Secretary of State for External Affairs if he has called in the ambassadors. If he has not, will he call in the ambassadors from the neighbouring states and tell them that any sign of harm or taking advantage of Israel's restraint will be taken most seriously by Canada?

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, both the Prime Minister and I last night communicated directly to the ambassador of Israel. I am now in the process of calling not the ambassadors, but the foreign ministers of countries in the region. In the conversation I have had so far with Egypt, certainly I was struck by the appreciation on the part of Egyptian authorities of the restraint that has been shown by Israel, indeed the admiration, the sense that what Israel is doing in these circumstances, far from being a sign of weakness is a sign of the strength and maturity of that country.

Those are not just the sentiments of Canada. Those are the sentiments expressed this morning to me by the foreign minister of Egypt. But I will consider the proposal made by my friend and convene a meeting of the ambassadors to Canada of countries neighbouring Israel. They share, as we share, a profound interest in the integrity and stability of Israel, as they share a profound interest in stopping the one force that now most threatens to destabilize Israel, and that is Saddam Hussein.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would like to direct my question also to the Secretary of State for External Affairs.

We appreciate very much the statement he made earlier in answer to my leader that Canada is already reaching out to offer additional humanitarian aid to those countries that are immediately faced with such devastating humanitarian problems.

I would like to pursue that a little further. It has been estimated that about $1 million per day is being spent on this tragic war. I know that everyone in this House, regardless of our differences, pray for an early peace.

Since it is estimated by UN officials that about 1.5 million people may be displaced, coming I believe just from Iraq and Iran alone, and of course there are other humanitarian issues in that general area, will Canada plan to contribute at least as much as we have to the war effort, or perhaps more, to assist people devastated by war in those countries that are going to bear the brunt of the immediate refugee problems? Will we be able to provide practical help as quickly as possible by such means as transportation of personnel and direct assistance for teams of workers in refugee camps, as well as relief agencies?

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, we are naturally looking at means by which we can help deal with a new refugee problem. The estimates she cites, in my judgment, may well be low. I think that the results of Saddam Hussein's

aggression could well, with respect to refugees, be more than 1.5 million displaced persons of which she speaks.

I have to say that the hon. member, and I hope members of her party, should stop citing just half the costs. Of course there are costs to war, but there have been extraordinary costs, not least to the Third World, as a result of this invasion of Kuwait by Saddam Hussein.

Among the things that happened were that thousands of people, people from the poorest countries, from Bangladesh, from the Philippines, from Sri Lanka, from countries in Africa, who were depending upon work in that region were forced to quit that region. That is causing right now immense problems. The longer Saddam Hussein is able to stay, the more time it is giving him. Time is what my hon. friend was asking for last week. The more time that it is given him, the longer those costs accumulate.

Obviously I cannot undertake to make the kind of expenditure the hon. member talks about, but I can certainly give her a commitment that Canada will play an active role with respect to response to the refugee problem.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I completely agree with the minister. Of course there are great humanitarian costs, and we do not begin to know them, sitting in our comfort here in Canada. We are just as concerned as he is with all aspects.

Just thinking ahead, as I know he is, and I am sure the Minister of Immigration is as well, I would like to ask this question. We know from past experience that the countries which receive refugees in the first and second stage of refugee movement are usually the countries left with permanent refugee camps and with stateless people. This is a great tragedy. I would hope that we would plan now—

Madam Deputy Speaker: Would the hon. member please put her question? This is getting into debate.

Ms. Mitchell: Yes, Madam Speaker. I am asking the minister if we will begin to plan now to be pro-active to try to prevent this from happening in the months ahead.

Hon. Barbara McDougall (Minister of Employment and Immigration): Madam Speaker, I think that Canada's history has been one of being pro-active and helpful in refugee and refugee-like situations.

We are following this very carefully, and I stated that we would regard any humanitarian requests in a positive way.

• (1150)

We are, as my colleague has said, working with the UN Disaster Relief Organization. For the most part I believe that the UN is looking at potential repatriation as opposed to resettlement. But we are in constant touch. The situation is of course evolving all the time. It is our intention to continue to work with the United Nations on the humanitarian aspects and the refugee aspects, as well as in the military coalition.

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

I am sure the minister knows, as does everybody in this House, that there are other Canadians who are deeply involved in this conflict. They are the families of the men and women who are bravely serving for Canada in the Persian Gulf.

I would like to ask the minister if he could give us his assurance in the House that the proper amount of planning and resources have been allocated to deal with the real needs of these families and help them cope with the anxiety. Could the minister give us some information on that?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, I would be glad to respond to my hon. colleague, because I know he is very much concerned for the families in his area.

I am pleased to say that we have a family support system in place through our department. They have been operating for some time in Halifax, Esquimalt, and Cold Lake where the majority of personnel come from. That support system is working very effectively. I visited with them not long ago. They have counselling resources. In addition, each of the ships has set up a special group of the families related to those ships. They are providing support for the families. The spouses are meeting together.

I think it is working out very effectively. When I visited with them recently, certainly their response was very appreciative. We have also indicated to them that if additional resources are in any way required we will ensure that those are received.

Ms. Sheila Copps (Hamilton East): Madam Speaker, I have a supplementary question.

The whole world held its breath last night, and thank God there was no use of chemical or nerve gas warfare in the attack. The next time we might not be so lucky.

My question therefore is for the Prime Minister. The Israeli Embassy today confirmed that there are people on the West Bank in the Gaza, men, women and children, who have not received gas masks.

[*Translation*]

We know there are men, women and children on the West Bank and in the Gaza strip who have not been given gas masks. Could the Prime Minister inform the House whether he is prepared to join his allies in seeing to it that gas masks are distributed to these men, women and children as soon as possible?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, I do not have a specific response. I am aware of a Supreme Court decision, I believe in the State of Israel, which required that all citizens be provided with the necessary equipment. I know that the Government of Israel and the people of Israel are very principled—it is a very civilized country—and will want to make every effort to make sure that everybody receives these masks.

I can check into it immediately afterward and I would be happy to advise my hon. friend. The position of the Government of Canada, as conveyed officially, always was that the same benefits, of course, must apply to all citizens. We will look into it for the member and get back to her as quickly as we can.

* * *

NATIONAL SECURITY

Mr. John Nunziata (York South—Weston): Madam Speaker, my question is for the Solicitor General and it concerns national security in Canada.

Can the Solicitor General indicate to the House whether it is the intention of the Government of Canada to invoke sections of the emergencies act, and more specifically those sections dealing with international emergencies and war emergencies?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Madam Speaker, I do not foresee that possibility at the moment.

Mr. John Nunziata (York South—Weston): Madam Speaker, I have a supplementary question for the Solicitor General.

I was advised yesterday by the President of the Canadian Arab Federation, Mr. James Kafieh that Canadians of Arab and Iraqi origin are, to quote Mr. Kafieh being "harassed and badgered" by the Security Intelligence Service.

Will the Solicitor General give his assurance that the Government of Canada, through the Security Intelligence Service, is not targeting for investigation Canadians solely on the basis of their ethnic or religious origin?

Can he reassure Arab Canadians that their rights will be protected and that they have not been placed under special surveillance by the Security Intelligence Service?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, I should perhaps respond to that, because I gave the assurance my hon. friend seeks in my speech to the House of Commons three days ago.

I indicated then that the invocation of the War Measures Act in the Second World War, which had imprisoned unfairly Japanese and Italian Canadians, was something that we had corrected and would never happen again. I gave Arab Canadians, particularly Iraqi Canadians, the assurance that that blot on our national history would never be repeated. I indicated to the House that the laws would apply fairly to all Canadians.

There will not be any special edicts of any kind and certainly no illegal, arbitrary or capricious actions taken against Canadians of Arab extraction, all of whom are deemed to be, like all of us, first-class citizens.

* * *

GULF CRISIS

Mr. John Brewin (Victoria): Madam Speaker, the UN resolutions on which this government has based Canada's involvement in this war were strictly limited to removing Iraq from Kuwait and to restoring the Government of Kuwait, as well as freeing the hostages and reparations.

In his statement the other night, George Bush clearly added to those objectives: to destroy the economic, military and political structure of Iraq and some say the agenda really is to destroy Saddam Hussein. Which is the agenda of this government? Is it George Bush's agenda, or is it the United Nations agenda?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, there may come a day—and I hope it is soon—when the NDP will rid itself of this reflexive anti-American position on everything. I say it in all respect to my hon. friend. Well, for example, there is chuckling from the NDP. The socialist leader in Britain, Neil Kinnock, said that in the interests of distancing himself from the government, he did not propose to distance himself from his obligations to support the United Nations.

I say to my hon. friend that the United Nations has spoken clearly and effectively. Perhaps my hon. friend may care to read the objectives of the UN. Confronted with the intransigence of a dictator who invaded a friendly neighbour Arab state and who proved his criminality even further last night by attacking Israel, Canada is going to join with all members of the coalition to drive him out of Kuwait and to make sure that if we in the world community deals with him again, it will be in a position of his acceptance of the rule of international law. He will be held responsible for everything that is taking place.

Mr. John Brewin (Victoria): Madam Speaker, this party has stood with him—

Some hon. members: Oh, oh.

Mr. Brewin: But, when the United States is wrong, this party and this country should stand and say to the United States that it is wrong. That is the situation we are in in this case.

Madam Deputy Speaker: Does the hon. member have a question?

Mr. Brewin: Yes, I have, Madam Speaker.

My question is for the Prime Minister, whatever our differences on this issue, U.S. commanders are now saying that the control, communications and capacity of Saddam Hussein to wage war have been destroyed. Will this government join with all of us in this House and ask the United States administration to take a pause in the destruction and seek peace with Iraq in this war?

• (1200)

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, is my hon. friend suggesting that with an attack against Israel last night, we should take a break and ask Saddam Hussein to be nice? This is absolutely preposterous.

What is even more serious is the suggestion that somehow we are in violation of resolution 678 and that the United States is doing something illegal. The resolution passed on November 29, 1990 does a number of things. It demands that Iraq comply fully with the resolutions. It authorizes member states co-operating with the Government of Kuwait to restore international peace and security in the area. It requests that all states provide appropriate support to restore international peace and security. That is exactly what we are in the process of doing. We have rallied to the call of the United Nations which is saying at this critical moment in the life of our organization, "Step forward those of you who believe in durable peace and freedom, step forward and defend the interests of the United Nations", and that is exactly what Canada is doing.

* * *

NON-PROLIFERATION TREATY

Hon. Walter McLean (Waterloo): Madam Speaker, 118 nations are gathered at the United Nations seeking a comprehensive test ban. Canada is among them.

In light of the critical situation and the sensitivity to testing a new generation of weapons, can the Secretary of State for External Affairs indicate to the House how Canada will vote today at the United Nations on this important issue.

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, the hon. member knows that Canada's view has been that it is important to maintain integrity and progress within the non-proliferation treaty regime, and that will guide our actions today.

I think the hon. member will share my amazement at the suggestion by the New Democratic Party in the question just posed, that the response of the Government of Canada should be to say that after Saddam Hussein attacks Israel, he should be rewarded with a

pause in the counterattack against him. That is absolutely unacceptable policy for any respectable Canadian.

* * *

BALTIC STATES

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, my question is for the Secretary of State for External Affairs and concerns the tragic situation in the Baltic states.

Could he indicate to the House whether he has taken any steps at the United Nations to have this question raised at the Security Council of the United Nations?

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, the hon. member was perhaps absent, one way or another, when I responded to that question the other day.

Some hon. members: Oh, oh.

* * *

ISRAEL

TABLING OF LETTER TO PRIME MINISTER

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, I have, in both official languages, a copy of my letter to the Prime Minister of Israel which I sent last night. I would be happy to table both of them in the House.

* * *

POINTS OF ORDER

STATEMENTS BY MEMBERS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, earlier today during statement period, the member for Okanagan Centre made references to my service of my constituents' wishes.

I do not at this time have the specific quotation as published in *Hansard* because *Hansard* has not in fact reproduced his particular words.

Madam Speaker, at this time I would request your consideration for me to reserve my right to rise at a later date in this House on a point of privilege to clarify the specific comments that were made by the member for Okanagan Centre.

Madam Deputy Speaker: The point made by the hon. member has been taken. Point of order, the hon. member for York South—Weston.

COMMENTS DURING QUESTION PERIOD

Mr. John Nunziata (York South–Weston): Madam Speaker, during Question Period the member for Calgary Northeast, an independent member of this House, asked a very serious question about whether or not—

Some hon. members: Oh, oh.

Mr. Nunziata: Members continue to laugh. He asked a very serious question about the situation in Lithuania. The Secretary of State for External Affairs, supposedly a senior member of the government, made disparaging comments and attributed motives to the member for Calgary Northeast.

The member may be an independent member and not a member of that particular caucus but he is deserving of some respect in this House. I would ask the Secretary of State for External Affairs to withdraw those comments about the member for Calgary Northeast.

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, I can only conclude that the hon. member who has just spoken has an unrelieved allergy to former Prime Ministers.

Mr. Nunziata: You keep it up, you're not going anywhere.

Some hon. members: Oh, oh.

Mr. Nunziata: Madam Speaker, the Secretary of State for External Affairs continues. Not only is he insulting Canadians of Lithuanian origin and showing contempt for that particular—

Some hon. members: Oh, oh.

Mr. Clark (Yellowhead): Madam Speaker, I regret that the normal rules do not apply to the hon. member for York South—Weston. If there was some suggestion that I was slighting or causing concern to Canadians of Baltic origin, let me be clear on what I said. I said that the hon. member had not been present when I had answered precisely that question put by our colleague from Winnipeg—it used to be Birds Hills—or whatever the constituency now is named.

The record is clear as to what I said both to the former member and in this House today. To refresh the memory of the House—

An hon. member: Your nose is growing.

Mr. Clark (Yellowhead): —what I indicated in answer to the earlier question was that we were looking at the possibility of pursuing that issue both in the United Nations and in the CSCE, that there was a problem in both of those cases because the Soviet Union possesses a formal or an informal veto. I believe that is virtually word for word the answer I gave to the member for Winnipeg when that question was raised two or three days ago. I thought it would be better, given the time that the question came, at the end of Question Period, to respond with brevity rather than at length to that question.

Mr. Axworthy (Winnipeg South Centre): That's not what you said.

Mr. Riis: Why don't you apologize?

Madam Deputy Speaker: I do realize that this is Friday. It has been a very difficult week on everybody's nerves and everybody's emotions.

• (1210)

I am very sad that this afternoon we would get to a point where harsh words would be shouted across that would be regretted by members who utter them. This could get the House into a situation which, to my feeling, would be very difficult for the rest of the country who is watching us.

There is a conflict in the Middle East, and this should not be a reason for us to create more of a conflict in the House of Commons.

I will recognize the hon. member for Calgary Northeast who has been most concerned with what has been going on in the last little while.

I see the hon. member for York South—Weston whose words I have chosen not to hear at one point. I think the wise thing for me to do would be to listen very quietly to the hon. member for Calgary Northeast and then for the House to resume debate.

Hopefully, the hon. member for York South—Weston will listen carefully to what his colleague from Calgary will have to say. Hopefully, he will change his mind about "not being finished".

I think that we should resume debate on the subject that is in front of the House.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I would like to correct the record in the sense that I was present when the question about Lithuania was posed.

Therefore, I wanted to pursue the matter with the Secretary of State for External Affairs and ask him what new developments have occurred since that time.

Mr. Clark (Yellowhead): Madam Speaker, if the House agrees to a brief extension of Question Period, I would certainly take a moment to indicate that we are continuing to look at whether or not it is possible to make—

Mr. Riis: Why don't you apologize?

Mr. Clark (Yellowhead): I am trying, Madam Speaker, despite shouts from the NDP, to respond to the question that was placed.

We are looking at ways in which the matter might be brought before either the CSCE or the United Nations in a way that would not encounter a veto by the Soviet Union.

In addition to that, the Prime Minister has written to Mr. Gorbachev. I have just written to the new Soviet foreign minister requesting an explicit and early response to the Prime Minister's letter. I am planning meetings in the next two or three days with representatives of leaders of the Baltic communities in Canada.

I know there have been meetings involving members of this House interested in this issue and the leaders of the Baltic community in Canada to see if there are practical ways in which we can bring our influence to bear on the Soviet Union.

There is now—at least there was at 11.30 and I think it is now in progress—a meeting involving three members of this House representing three parties with the Soviet ambassador to make it clear that the representations I had made to that ambassador that the failure of the Soviet Union to change its approach to the Baltic people will have an effect upon the range of its relations with Canada.

That is the message that I communicated, and that is the message being repeated by members of three parties in this House. I know the member's interest in these things, and I will naturally try to keep him advised as to developments in the issue.

If he has suggestions that would be constructive to the government, I would naturally appreciate hearing from him.

Madam Deputy Speaker: I thank the right hon. Secretary of State for External Affairs.

[*Translation*]

Hon. Jean Lapierre (Shefford): Madam Speaker, I would ask the Secretary of State for External Affairs to listen carefully, because this concerns him.

I do not have a broad experience of parliamentary debate in times of international crisis or wartime, but I am told that traditionally, for instance in Great Britain or France, when there is a crisis of this magnitude and those countries are involved, there is a refreshing lack of political partisanship. We see this happening across the world in other parliaments, with the exception of this one.

Perhaps the Chair could arrange for a meeting with certain leaders or certain groups.

I thought now that Canada was involved in a war, the debate in the House ought to rise above partisan considerations. Today, Madam Speaker, I am amazed to see that those partisan considerations are still there, especially in the attitude of the minister responsible. I would like some indication of what the precedents are in this respect. Madam Speaker, we have done everything we could to rise above partisan considerations. We have tried to be co-operative. Madam Speaker, I don't understand why what is happening in the rest of the world is so different from what is happening here. What is going on?

Madam Deputy Speaker: I believe that yesterday, more specifically, the Minister of National Defence organized a number of briefing sessions for various groups, and I think independent members were also able to take advantage of those sessions. So I do not think there is a partisan approach to organizing the stream of information coming from the various departments. Perhaps we could now resume debate. The hon. member for York Simcoe.

[*English*]

The hon. member for York South—Weston is rising now on a question of privilege. I will of course listen to him, but I would ask him to make his point very brief and tell me where he feels that his privileges have been taken advantage of. Very quickly, the hon. member for York South–Weston.

* * *

PRIVILEGE

ANSWER DURING QUESTION PERIOD

Mr. John Nunziata (York South—Weston): Madam Speaker, with the greatest of respect, the tone of your comments would seem to suggest that you have already predetermined my point of privilege. I would ask that you keep an open mind with respect to the points that I am about to make.

Madam Deputy Speaker: I want to say to the hon. member that the tone of his remarks are not very pleasant for the Chair either.

Mr. Nunziata: Madam Speaker, I will improve my tone, if you will improve your tone.

Some hon. members: Oh, oh.

Mr. Nunziata: I will state my point of privilege, Madam Speaker. During Question Period today the member from Calgary asked a question about the situation in Lithuania. The Secretary of State for External Affairs, a former Prime Minister in this House, answered that particular question by saying that the hon. member was absent one way or another.

The members on the Conservative side of the House then proceeded to hoot and holler and laugh.

Madam Deputy Speaker: I cannot see how this exchange, which I am not going to qualify in any way, has done anything to breach the privileges of the hon. member for York South—Weston.

Mr. Nunziata: I have not finished my submission.

Madam Deputy Speaker: The House will now resume debate. There is no prima facie point of privilege.

Mr. Nunziata: You're not letting me make my point. I have a right to state my point of privilege and you cut me off. You are not giving me an opportunity to make my point. I insist on making my point.

Madam Deputy Speaker: I do not see a prima facie case of privilege in the words expressed by the hon. member for York South—Weston. We will now resume debate.

GOVERNMENT ORDERS

[*English*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed consideration of the motion of Mr. Clark (Yellowhead), (p. 16983) and the motion of Mrs. Collins (p. 17150).

Mr. John E. Cole (York—Simcoe): Madam Speaker, the failure of the United Nations to handle this crisis—

• (1220)

Madam Deputy Speaker: I am sure the hon. member for York South—Weston will at one point realize that the accusations he has made are really not warranted and are not fair. The hon. member may want to withdraw his comments before he is given the floor again. He may want to consider it and let the Chair know. Resuming debate.

Mr. Cole: Madam Speaker, the failure of the United Nations to handle this crisis would have severe impacts on the world. It might never again be able to play an effective role in responding to aggression. Success in this effort will provide a real prospect for collective security in the future. It is critical for countries like Canada even though we are a long way away. It is very critical for countries with small populations with two superpowers at their borders, but we have very limited capacity. We must preserve international law and order.

This is an opportunity for the United Nations to play the kind of role it was designed to perform. But it also puts the United Nations at risk. If the United Nations fails to live up to those principles, objectives and efforts for which so many people have fought so hard for so many years, what is the future for world peace, law and order? It is critical for the world order that we have peace in this particular situation.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Madam Speaker, we are at very profound pass in the events in the Middle East and in the world.

We have had throughout this debate some fine moments of leadership. We have had excellent contributions from both the leaders of the parties involved and from private members as well. There have been most thoughtful contributions. Some of the contributions have been absolutely historic. We have had non-partisan contributions. We have had bipartisan contributions in the very best Canadian tradition. I wish to congratulate those who are responsible for the conduct of Canada's foreign policy.

Today, Madam Speaker, I propose to examine where we are, how we got here, the reaction from our riding and tell a couple of incidents about a young Canadian and a young Palestinian and to reflect on the Arab Canadian population of our country. To begin with, where we are. Israel today is exercising remarkable restraint. There is moral strength in exercising restraint.

As the Prime Minister correctly said today, Israel should not be unduly put to the test. However, I have been brought up to believe there is moral strength in exercising restraint and self-discipline and I congratulate the State of Israel for doing so.

I wish to associate myself with the Prime Minister's statement on the attack on Israel and I salute the Secretary of State for External Affairs who throughout this has exercised statesmanship of an historic character, particularly when he said: "the way to stop escalation is to stop Saddam Hussein and his ilk."

How did we get here? We got into the situation we are playing in the Middle East in the best Canadian tradition. I salute the right hon. member for Vancouver Quadra for his historic and courageous contribution to the debate the other day in this House.

There are those who suggest that we are illegitimately with the United Nations. I quote the distinguished Canadian columnist, Jeffrey Simpson who wrote in today's *Globe and Mail*:

> Keeping the peace under UN colours can involve a unified UN command, as in Korea, with strategic and operational authority given to the leading contributing country, the United States. Or it can be, as in the Persian Gulf; contributions by member states working together under UN resolutions but without a unified UN command.

Madam Speaker, the reaction is beginning to come in from across the country. I have here a letter which was faxed to my office two days ago, and I quote:

> Suggesting that we should agree to link withdrawal to the discussion of other regional issues is nothing short of agreeing to negotiate with terrorists and hostage takers—no matter how "legitimate" these grievances may be.
>
> Even more unhappily, the thought of allowing the deadline to pass without following it with speedy and decisive action would lead us to contemplate an even more horrific problem—
>
> While we all wish there were another outcome, it seems evident that the only action that could avoid the current confrontation is our own capitulation which would most certainly only delay an even more horrible future outcome. Those who blame Mr. Bush and the western nations for these circumstances are like those who blame the victim of rape and burglary for the crime perpetrated by the real guilty party.
>
> I know this went on a bit long, but I wanted you to know that there are thoughtful people who support what you are trying to achieve and we do not always show up on the evening news.

I will quote a second fax which came into my office yesterday.

> Too many Canadians have died in wars in history to have this country turn its back on the need for a co-operative United Nations effort in the Middle East. To not fulfil the obligations and initiatives of the United Nations would reduce Canada to a less than mediocre entity in the world community. Canadians have died for civility, for justice, for individual rights and the United Nations is the manifestation of the ideals for which they gave their lives.

I said that I wanted to talk briefly about a 19-year old wounded in the trenches. This happened in Sanctuary Wood on June 2, 1916. It was a story which I did not hear until almost 75 years later when the man who was wounded in those trenches attended a reunion of his regiment in Calgary and for the first time told his family the story of the bloody experiences, the mindlessness, the banality and the horror of war.

I am very grateful I was with him that particular day because as as a child I had begged him to tell me of the glory of war and he had always refused to say anything about it. But my father who was hit by a shell in Sanctuary Wood on June 2, 1916 taught me what no movie or history book could tell me about the absolute horror and the stupidity of war. War he said, is sometimes the only course of action when you are dealing with a bully and someone who abuses the rights of others.

I also would like to mention a 24-year old Palestinian whom I met in 1959 while travelling on a train from Gaza to Cairo and who became a close friend. This man of Palestinian origin, Salah el-Dim Subaih, was a teacher who was being resettled in Kuwait, where he served for many years. After he settled he invited me to his wedding. I was not able to go, but I sent a gift and we became fast friends by correspondence.

• (1230)

Later in the 1967 war I served as the post office for his family in Gaza who were sending letters to relatives in Cairo. There was no mail going back and forth until the Red Crescent and the Red Cross set it up.

From that came waves of gratuity and friendship which I think is really the only basis on which the new world order, of which many have spoken in this House, can be based.

There is something to be said about Arab Canadians. The Prime Minister referred in Question Period to their situation today in response to a question, as he did in his speech the other day.

It is perhaps not a well known fact that in my city of Edmonton, approximately 10 per cent of the Canadian Arab population resides. It is a slightly different profile from the general profile in the fact that generally speaking, Christian Arabs outnumber those of Muslim and Druse origin by three to one in our country, but the majority in Edmonton are of Muslim or Druse origin, although there are substantial numbers of Christian Arabs as well.

We have, as well, a growing Jewish community in Edmonton, largely due to immigration from the Soviet Union. I salute those leaders of the Jewish community in my city, along with the Arab community, led by the example of Professor Baha Abou-Laban, who have engaged in dialogue from the beginning of the time of the *intifadah*. They have tried to establish, and successfully I believe, the practice and the belief that we here in Canada wish to separate ourselves as much as we can from the quarrels abroad. But that can never entirely be done.

In the words of Sir Wilfrid Laurier who spoke in this House on August 19, 1914, when this House was debating the question of the first World War, and in a reference to fellow citizens of German origin at that time, he said at page 10 of *Hansard*:

> They are certainly among our best citizens. They are proud of the land of their adoption, which to many of them is the land of their birth, and they have shown more than once their devotion to British institutions. But, Sir, they would not be men if they had not in their hearts a deep feeling of affection for the land of their ancestors, and nobody would blame them for that.

Madam Speaker, those words can apply to Arab Canadians today.

In the words of the Prime Minister speaking on Tuesday, January 15, 1991, on the subject, he said at page 16990 of *Hansard:*

> On this point, I want to reassure Iraqi–Canadians that they will not be subject in any way to illegal surveillance or unwarranted detention, as was the case in regard to other citizens during World War II. That lesson fortunately has been learned in this country.

I wish to associate myself with the words of the Prime Minister and to pledge on behalf of the Government of Canada that that pledge and that undertaking will be upheld, and that restraint will be the order of the day. We will not repeat the mistakes that were made during the Second World War when groups of Canadians of various origins were isolated and were dealt with unfairly.

These are turbulent times, but those who have lived through times of war and times of the formation of history tell us that this is the stuff of history. How do we sort our way through the confusion?

The best way is to commit to the rule of law and to the rule of order, and so therefore I proudly associate myself with the resolution before this House, which I strongly support, and with the conduct of Canada's foreign policy in supporting the work of the United Nations in the Persian Gulf, and I pray, humbly, along with I am sure all members of this House, that the conflict will come to a swift and final end and that a way can be found to establish a permanent and lasting peace based on the principles of the three great monotheistic religions throughout the Middle East and throughout the world.

Some hon. members: Hear, hear.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, my question to the hon. member concerns the situation in the Middle East.

I wonder what his position would be on an international peace conference on the Middle East once hostilities have terminated; whether he would support a homeland for the Palestinians and the resolution of that difficult situation for those people; and whether he would support the re–establishment of an independent, not occupied Lebanon.

Mr. Edwards: Madam Speaker, it is a rare privilege, and I mean that sincerely, to have the opportunity in this House to engage in dialogue with the hon. member.

I do indeed support the principle, once peace has been established in the Middle East, of whatever effort can be made toward finding a lasting peace, as I said in the conclusion of my remarks.

If *détente* between the two superpowers can be preserved and if indeed the cold war has ended, many of the objections to convening such a conference will have been removed. I think that President Bush has recognized that in some of his statements over the past 12 to 18 months and indeed, such a conference would be appropriate.

With reference to a homeland for the Palestinian people, it is my belief that the UN resolutions, not the series that we are debating here today, but the earlier resolutions on Palestine and the preservation of the state of Israel, which is a condition precedent in my mind to an establishment of a Palestinian homeland, ought to be followed. The answer is a qualified but strong yes to the hon. member.

With reference to the Lebanese question, yes, I believe that as soon as possible and as soon as security can be established the occupation of Lebanon ought to cease, and that wonderful country which, when I knew it over three decades ago, was referred to as the Switzerland of the Middle East, can once more find some serenity and peace within itself and security from its neighbours.

Mr. John Manley (Ottawa South): Madam Speaker, I would like to thank my friend across the way for his comments and afford him the opportunity to add his comments on the following review prepared by the United Nations children's organization, UNICEF, which, in a gulf crisis advisory on January 15, wrote: "The situation of Children: In the event of war in the gulf region a number of factors, apart from damage and destruction to buildings and infrastructure, will affect the welfare of children and women in the region. There will be serious shortages, particularly of food, water,

medicines and energy supplies. Services will be severely curtailed due to diversion for emergency and military needs. Prices will spiral upward and the economic situation could be complicated by the devaluation of local currencies, especially in the majority of the countries of the region which import about half of their essential needs. Widespread environmental degradation resulting from war-related pollution and climatic changes will have unpredictable effects on the local population. The situation will be worsened by the possibility of breakdowns in water and sanitation facilities, especially in urban areas."

I know the member will want to respond with concern for those innocent victims of this conflict and I welcome his comments on that analysis by UNICEF.

Mr. Edwards: Madam Speaker, I know that the time is limited and I will try to respond as well as I can. I agree that that assessment is probably very accurate. I have not seen it. I thank my hon. friend for mentioning it.

I wish Saddam Hussein could have been listening to the hon. member this morning. I wish he would realize that this is what he has put in train. It is in train and at some point it will come to an end. After it comes to an end, then the world, probably financed by petrodollars because they are available in that area, must commit itself to a rehabilitation program for the entire area. This is not only for men, women and children but to restore the infrastructure of the area which will be severely damaged for the entire Middle East. Perhaps it will be time for a Marshall plan for the entire mid-east with participation and collaboration by all parties, perhaps hand in hand or perhaps following a peace conference and a settlement.

• (1240)

There has to be change, and there has to be removed from the scene in the Middle East the sources of discontent that give fuel to the engines of madmen like Saddam Hussein.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, the world is a much sadder place since January 16, 1991, because the demons of war have been unleashed and absolutely no one knows where this war will lead. Absolutely no one knows what problems, if any, will be resolved.

I think that point was captured very well by William Johnson in an article in *The Gazette* today entitled: "War's initial success—". Will it boost the government's chances?

It is really extremely sad when one believes that a military action that will destroy literally thousands of lives could in fact do that.

The most pertinent points are the following, but can peace be won? "Will the military victory be followed by a political and diplomatic triumph?" He goes on to point out that it may have some effects in that direction, but he also asks the following. "It could also usher in an era of renewed terrorism, of deepened Arab sullenness, of a growing rift between the nations of Islam and the heirs of Christendom". Therein lies one of the critical issues.

[*Translation*]

When I was elected on November 21, 1988, I had anticipated a number of issues I felt I would have to come to terms with. I had done a lot of reading and research on the trade agreement with the United States and I had forseen the negative impact on working men and women throughout Canada in various industries.

I had realized also that the tax reforms which the government was contemplating would cause serious hardships to Canadians, especially those in the low and middle income brackets.

Those were major issues. I had throroughly anticipated them. But never had I foreseen that, as a member of this house, I would have to deal, as today, with a war. Neither this war or any other war.

As an idealist, I thought we had established a new world order whereby new peacefull solutions could be developed to such problems as poverty, hunger and sickness in the world without.

Unfortunately, I was wrong. Unfortunately also, technological progress exceeds by far the mechanisms which have been developed to implement peaceful solutions.

[*English*]

I say not at all in a partisan sense that it is unfortunate the Prime Minister had not recalled us earlier so that we could have had this debate, hopefully before hostilities began so that everyone's positions could have been put on the table.

Again, I think in a non-partisan way that while the Prime Minister would like us to believe that he is in close and significant contact with President Bush, it is a grossly exaggerated claim.

For example, why would President Bush, knowing full well that the Canadian Parliament was in the process of discussing this question, not withhold hostilities for a few days? Why could he have not respected our democratic process? Surely, if he had come to the same conclusion, he could have reached that two or three days later.

I must add that I am extremely proud of my party's position and of my leader's position on this issue. We condemn Saddam Hussein. We condemn what he was doing in Kuwait to his people and what he did last night to Israel. Let there be no doubt about that. We condemn him and all people who act as he does.

But there is a double standard. There are people who have committed as great an atrocity, and we have simply verbalized our discontent. That is unfortunate. We too applaud the great, great patience that Israel has shown and the restraint it has demonstrated. I was pleased to hear today that the same comment was made with respect to a number of Arab nations, because they too have shown restraint, and a number of Arabs throughout the world have done the same. I pray that this will continue.

My party supported sanctions, an embargo and diplomacy. We provided proof that those were working in spite of what was said. We had an array of credible individuals from the political scene, the military scene, and a number of other sectors who showed unequivocally that sanctions were working, not only affecting the civilian population but getting at that military infrastructure.

We brought forward evidence that has never been refuted. There is no way under any circumstances that any member of government has ever provided even a slight percentage of the evidence that we put forward.

We had little doubt that if we had been more patient we could have come up with different kinds of solutions. We requested additional time. Perhaps the best indication of how we went about it was the addition of the amendment to the current motion which has been debated, asking whether or not we support the United Nations.

Of course we support the United Nations, but it does not mean we have to follow it blindly. It does not mean that we cannot bring some precision to its position. We offer the following amendment:

> That the motion be amended by adding—"through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time."

We felt that more time could have given us an opportunity to explore the effects of sanctions, greater diplomacy, and perhaps solutions that we had not thought about.

Our party's first option in case of hostilities was to withdraw our troops from the theatre of war. That did not mean we could not be supportive in other ways. Quite to the contrary. We lost the decision, as the House well knows, when the Prime Minister and his government decided to go to war.

Our support of the United Nations has been unequivocal. Member after member has mentioned it. We believe so much in the UN that we wanted this multinational force under its command and control.

Canada is now at war. What are we as a party doing in this situation? Are we for or against this war? Clearly, unequivocally we are against it. We have said it time and time again. Is it a necessary war? We consider it an unnecessary war at this time. Are we united with the government? In terms of providing the adequate support for our troops to ensure their safety and security, yes, absolutely. We want them to have the best in order to protect themselves against possible death and injury. Are we united with the government on the supposed need for war at this time? No, we are not.

As a result of the Prime Minister's decision to go to war, as some members have mentioned, Canada has now lost its innocence. Whether or not we like it, we have, according to many people in the world, become an aggressor.

People will say: "Are there times when we need to go to war?" Yes. Absolutely. Unfortunately! When our people are at risk, there is no doubt in my mind. When our country is at risk, there is no equivocation. But is it not sad that, in today's society, we have not developed mechanisms that would permit other alternatives than mass destruction?

• (1250)

We are at war. What do we do now? We must stop the war as soon as possible. There will be massive destruction of the infrastructure, of buildings, of roads, of bridges, of hospitals, and of schools. But what about the massive destruction of people? It is not only soldiers who are being killed in Iraq. There are little girls, who are not terribly different from little Canadian girls. There are young men in their teens, who are very similar to young men here. There are moms and dads. Whether you are a mother or a father here or a mother or a father in another country, surely it has the same kind of significance. There are grandparents and other relatives.

We need to seek a peaceful solution as quickly as possible. Surely this continued brutality is not the ultimate solution. We need to anticipate the "fallout" that will have been created by this war, the problems that will be there that were not there before. We all know that by supposedly resolving something we often create a series of unanticipated other problems.

What might some of those be? There will be emotional trauma not only felt by the civilians, by the boys and girls, by the moms and dads, by the seniors and by other citizens as well, but by our own servicemen and women, by our own soldiers. There will be massive economic and social instability for Iraq and for other nations.

What do we do now in terms of trying to respond to that particular difficulty? And what about the environmental impact? Have we thought of that? Have we thought of the difficulties in any significant kind of way? Are we starting to identify those now so that we can react, hopefully tomorrow or very shortly, to those particular challenges? What about the difficulties in bringing about a just solution?

We have talked of linkage. We have talked of peace conferences. We have talked of a number of other alternatives, but we need to put those on the table so that they are ready when the time comes. We need a just solution. As I pointed out before, a military conquest will not resolve those problems.

What are we going to do in terms of attempting to avert war in other troubled areas of the world? Or, having been "successful" in a military way, do we continue to operate this way, or do we come forward with different kinds of solutions or mechanisms other than war that might work?

What about potential additional conflicts because of this war? As was pointed out, this is a massive war where there will be massive destruction and loss of lives, but there will be additional conflicts. Will other countries, for example, that feel as if they have not been treated fairly by Iraq want to seize a particular opportunity? Will Iraq, assuming that it has been devastated and conquered, carry away this feeling that it must get even? And who will be the victims of that kind of behaviour, that kind of attitude?

I suggest that as a first step in responding to those problems we need to bring the conflict under UN command.

I want to point out another major concern that I have, and that is the managing of information during conflict. It would appear thus far, if one has looked at what has occurred, that it has been open; but I wonder how true that is. Has it been "managed" rather than "open"?

Do we know the truth about what has occurred? What are the implications of that management, assuming that it has occurred, on news information for us as Canadians in the future? Not only in theatres of war, not only during conflicts, but what questions does that raise? I think there is no one here, if we want to be fair about it, who would not suggest that the military is trying to put the best light on what has occurred thus far. Why all the coverage, and why those particular scenes as opposed to others? What are the implications of that? Are we being made to think in a particular way in order to support a decision that has been made? I think so.

There is great sadness because we have not developed other mechanisms but those of war in order to resolve problems and because we have made massive and intriguing technological advances, not only with war machines but throughout society, and juxtaposed against those technological advances it seems that we have not moved forward at all on other fronts.

Let us look at our country very briefly. Poverty affects almost five million Canadians, most of whom are women. Many of them are single parents, but there are over one million children affected. We have two million people on welfare today. Over one and a quarter people are unemployed, and about 500,000 people are going to food banks. Those are the critical problems.

If we are having those difficulties in a country that is as rich and powerful as ours, what about those other countries in the world who have less? What about countries devastated by war or affected in a very serious way?

It is sad that our technological advances far outstrip our ability to work out problems such as poverty, employment, appropriate distribution of wealth and responding to the unemployed and those in great need.

[*Translation*]

In our society, war spells failure. It is not a solution. Of course, there will be a "winner". But this "victory" will cause in turn many new unknown problems which simply cannot be anticipated.

What is being done today, if anything, to address the serious problems which will affect not only Iraq, but other countries of the world?

As Liberals, we were prepared to go to war if we necessarily had to, for instance to protect our country and our people. But we strongly believe that war should only be considered as a last resort. Nobody should go to war without having exhausted all possible avenues.

[*English*]

The path of war is much travelled. We know that. Whether we talk of large wars or small ones, it is still war. It is still destruction, the loss of lives, and the maiming of men, women and children. The path of peace is much, much less travelled. It is time that we explored and started to travel the path of peace much more frequently than we have in the past.

I would hope, whatever our religious sides, we are still believers and—

[*Translation*]

—that we will all pray in our own way for peace, a new world order where problems can be solved without war, where our own children and those of the rest of the world can feel secure, where men and women will accept to work together to build a new society based on friendship, love and co-operation.

• (1300)

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I listened to the closing remarks of my colleague. I agree with his last remarks to the effect that all of us must work together for peace, love, friendship, and harmony between nations. I would simply ask him, considering the seriousness of the situation and the fact that war has broken out and that the House is debating a resolution concerning our support for the United Nations, the former leader of the Liberal Party clearly stated, and I quote:

[*English*]

This is a crucial test for the United Nations and Canada must support it. This is a crucial test for collective security and Canada must support it. Does he agree with that declaration?

[*Translation*]

Mr. Duhamel: Madam Speaker, I thank my colleague for her comments and her question.

She quoted the former leader, and that is precisely the case—a former leader. But now we have a new leader. I clearly explained the position of my new leader. As a former deputy minister, I am not one to go and tell people with whom I used to work how to handle their own affairs. We have a new leader and a policy which has been fully explained not only by the leader but also by my colleagues and myself.

The debate does not relate to the fact that Mr. Hussein has committed unacceptable acts, not al all. The fact is that war engenders war. Perhaps the war will end in a military victory, but it will create other problems.

I agree with my colleague that the problem is very serious. The diverging views have to do with the fact that we would have waited a little longer to see if sanctions might not produce the same results, or if other much more creative solutions might not have been found. That is the difference. I am not being mean when I say that. You are the government, you have the right to do what you are doing and I respect the fact that you have that authority.

But you know, Madam Speaker, and I said so at the beginning of my remarks, we had offered evidence from a wide variety of very credible people that the sanctions did affect the people and were also beginning to undermine the military infrastructure of Mr. Saddam Hussein. The government did not disprove these facts.

I even have a quotation from Mr. Clark dated December 28, if memory serves me right, when he wrote to his colleague to convey the same point of view. Today is January 18, which means he said that three weeks ago. Thank you for your comments and question.

Hon. Jean Lapierre (Shefford): Madam Speaker, I listened to the hon. member from Saint-Boniface with great interest and I would have a question for him.

We are presently debating a motion which reads:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

One thing is not clear in my mind. Did he say he was going to vote for or against this motion?

Mr. Duhamel: My hon. colleague knows full well that I said nothing on that subject. What I did say, and I will repeat to refresh his memory, is that we Liberals support the United Nations.

Mr. Lapierre: And this motion?

Mr. Duhamel: Now, wait a moment. I am getting to it. You sometimes take a little time to get to the point. I want the same privilege. I said that we Liberals support the United Nations. Indeed, I said that one can support an organization, whether the United Nations or any other, and not agree with every proposal it puts forward. I did not say whether I supported it or not. That is a surprise. I did say, though, that we had moved the following amendment:

> That the motion be amended by adding immediately after the word "Kuwait" the following:
>
> "through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time."

If my hon. colleague wants to know if I support the United Nations, the answer is unequivocally yes. As regards my support to the proposal, I will think about it.

Hon. Jean Lapierre (Shefford): Madam Speaker, I am extremely concerned that my colleague made a speech without having an opinion on this motion. I want to go back to this point.

Today, we have a few thousand servicemen and women out there who cannot afford to pussyfoot about like he seems to want to do.

Does he, as a Canadian and as a member of this House which collectively sent thousands of our fellow countrymen and women up to the front, have as much guts as these people or does he plan on pussyfooting much longer?

Mr. Duhamel: Madam Speaker, I appreciate the question. I don't dance. I don't waltz. Am I as brave as the troops? I don't know. I am not a military man, and quite frankly, I don't envy their position at all.

Sure, theoretically, you can say we sent them, but I didn't send them. You may have sent them, but I certainly didn't. Certainly not.

Am I evading the issue? I said I wanted more time to think. If you ask me what I would do if I had to say yes or no today, I would say no, without adding the amendment. I made that clear.

Do I support the United Nations? Yes, without reservations. I don't understand what the hon. member is trying to do. It seems to me his questions are not very logical. Surely, he cannot be serious.

In fact, I am rather disappointed, because I used to have a pretty good opinion of him. He is often quite fair and quite charitable. He tries to be rational and objective. I suppose like all of us, he has his ups and downs.

Mrs. Bourgault: Madam Speaker, a political party that intends to run the country some day must show what side it is on. Its members must have guts and be able to say: When there are serious decisions to be made, I will set aside my party affiliation and make the decision that is appropriate in the circumstances.

What we are asking the hon. member for St. Boniface, who, by the way, is extraordinarily fluent in both official languages, is whether or not he will vote in favour of supporting the United Nations in its efforts to get Iraq out of Kuwait.

The question is straightforward: Yes or no?

Mr. Duhamel: Madam Speaker, I want to thank the hon. member for her question. We do not see ourselves as a party in waiting that may come to power some day. We shall come to power, and very shortly. I just wanted to make that clear.

What about guts? I suggest the hon. member ask the people with whom I have worked whether I have guts. You want to know how I intend to vote? Wait until the vote is taken. I will cross that bridge when I come to it.

With respect, I think it is too bad the hon. member is trying to suggest things that are just not so. I thought that, especially on an issue as serious as this one, she and her colleagues on the other side of the House would have been fairer in their comments.

But don't worry, we will come to power. Don't worry, we have the guts. And above all, don't worry because I intend to vote the right way, and I know what the right way is. Just wait and see.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, it is obviously with deep sorrow that I rise today in this House. As a member, I had never thought that I would see the day where I had to speak to a motion dealing indirectly with a declaration of a war which is already under way.

• (1310)

Madam Speaker, if I may as a posthumous tribute I would like to talk about my father. In 1939, at only 23 years of age, he was already a member of the Royal 22nd Regiment. My grandfather died the same year my father was called to duty. My grandmother was left with 18 kids and since my father was single, he became head of the family. Consequently he was exempted from active duty. During my childhood, after the war was over, my father always said he would have liked, even after becamimg head of the family, to contribute to the war effort and, as a Canadian and fellow countryman, to go up to the front line to fight for the fundamental rights of Canada during the 1939–1945 war.

Madam Speaker, I believe most Canadians do not understand the origins of this conflict. Since the outbreak of hostilities, I have been carefully watching the news and I would like to take this opportunity to commend the many reporters still in that region who have been doing everything they can to accurately report on the events in the Gulf. I would like to wish them the best, and my thoughts go to their families. Several citizens have called "open lines" to express their views, and the vast majority of them have admitted not understanding the very nature of the conflict dividing that region of the Middle East. I think as Canadians we should try harder to understand what is going on elsewhere in the world, because those events do affect us. We have the evidence right here: there is a war and some of our fellowmen and women are in the theatre of operations ready to fight for our values and a world order.

Not only about the Middle East but also about other regions of the world, I would urge my constituents to widen their horizons by examining what is going on elsewhere so as to appreciate the motives and the historical reasons at the root of dissidence between Arab nations. As for Israel, I did go there as a member of a delegation with the Canada–Israel committee, like most other members. Those who have not yet been invited should soon be, or if they were invited perhaps they could not go. Anyway, I went there and I think it is a beautiful region. I would like to visit other countries, I have Arab friends whom I have not seen for some time and who often come to Montreal. I know them very well. I have a lot of affection for those people. I met them quite often. We stand to gain by understanding and getting to know their culture and traditions. Once I even smoked that famous water pipe which Arabs enjoy after a meal.

Madam Speaker, utterly unbelievable as well is the fact that we are watching the war on television, wondering whether it is real, whether it is a dream, or whether it is a movie. But it is reality, there are bombings, people are scared, anxiety prevails. Just imagine that you are a citizen of Jordan, of the West Bank, or of Saudi Arabia, and asking yourself whether the missile aimed at a base is not going to hit your area or your house. We can only feel very deeply for all these men, women and children who have to live under such incredible conditions.

Another thing that is different in 1991 is that women are now on the front line. Women did their share during the 1939–45 war, but they worked in hospitals looking after the sick and wounded.

But now there are 67 Canadian women involved in this war as members of the Canadian Armed Forces. It was felt that women should avoid at all costs being involved in a war, because they had to look after their husbands

during World War II, but today, some men are watching in front of their television sets perfectly aware that there wives are serving in the gulf area. It is unbelievable. I wish to pay tribute to the 8,000 women who are members of the Canadian Armed Forces and tell them how proud I am of their colleagues who are over there involved in all sorts of operations, handling military equipment, to defend values which are dear to our hearts, Madam Speaker.

Should the fact that Israel has chosen not to launch a counterattack be interpreted as evidence of weakness or of strength? Madam Speaker, I suggest it is unquestionably evidence of strength. By refusing to retaliate is kind for the sake of this vast land and for the sake of their fellow citizens. Israeli leaders are showing extraordinary and remarkable composure, and I hope they will show the necessary fortitude and good sense in telling their fellow citizens to be patient. In short, having visited this region and having met Mr. Shamir personally, I plead with him—I am sure he is not listening to what I, the lowly member for Argenteuil—Papineau, may have to say to him who is involved in such a serious conflict—not to do anything which could endanger an already explosive situation.

Madam Speaker, I am sure some of my constituents are wondering today: "What could I do personally to take part in this war effort? How can I help? Can I send money? Can I send food?" I wish to tell them that they can use my county office. I wish they would phone me to say: "I wish to send this or that". I promise to do everything I can to send their offerings directly through the various organizations which will look after the serious problems which will arise following this war. I feel we do not insist enough on the fact that the minute this conflict is over, tomorrow or the day after, we will find that houses have been destroyed, that there are women and children—families—without shelters, wounded and handicapped people with all sorts of horrors which I refuse to contemplate today, Madam Speaker.

So, if my constituents want to do something concrete, they can communicate with my office and I promise to look after this personally. For instance, if a person asked me what he or she could do personally back home, I would say: "If you are a smoker, do not smoke a package of cigarettes for two days; or if you eat sometimes in restaurants, stay home and keep the money in order to use it for the war effort." Canadian men and women have shown over the years that they are extremely generous, not only in time of war, by also in time of peace helping hungry people in developing countries deal with their problems.

I will certainly support this motion, in spite of the fact that, like many honourable members from both sides, I feel that war is a failure. I suggest it is above all the failure of a man who decided that he would control the world. It is also the failure of international leaders who did not realize that this man was stockpiling weapons and arms. I am sure I speak for all Canadian men and women when I ask: Should we continue watching people earning a living by manufacturing war equipment which someday can be turned against us?

• (1320)

Madam Speaker, these are very difficult choices which the government had to make under the circumstances. But as I was saying earlier to my friend the hon. member for Saint-Boniface, making this type of decision required a lot of guts. We made this decision. I am in perfect agreement with the motions which support the United Nations and their efforts to bring this dictator to his knees.

Madam Speaker, I hope that the war will end soon, I offer my best wishes to our fighting men and women over there and their families, as well as to the journalists. They can count on my prayers.

Madam Deputy Speaker: The hon. member for York South—Weston requests the floor. After the unfortunate exchanges we had about an hour ago, I think some gesture on his part would be appropriate before I recognize the hon. member for debate.

I will therefore give him a chance to make that gesture, and I hope he will do so. Otherwise I will have to recognize someone else.

[*English*]

Mr. Nunziata: Madam Speaker, in the circumstance I would ask the opportunity to meet with you in your chambers to discuss that matter. In the interim, I would ask that you recognize me on legitimate points of order and privilege.

But at your earliest convenience, I am prepared to meet with you in your chambers to discuss the matter and then to return to the House and indicate my position on the record.

Madam Deputy Speaker: I will be replaced in the chair some time in the next hour. As I have been the occupant of the chair since 10 o'clock this morning, I think everyone will understand that I will need to refresh myself and maybe have a little bit of food.

At that time I will certainly meet with the hon. member. In the meantime I think that it would be right for me to recognize other members. Once we have spoken, we will settle the matter. I appreciate the hon. member coming forward with the suggestion at this time.

[*Translation*]

The hon. member for Saint-Denis, for questions and comments on the speech by the hon. member for Argenteuil—Papineau.

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I hope that the exchange that will take place later today will be held according to the best parliamentary traditions that bring us together today.

I would like to thank the hon. member for Argenteuil—Papineau for her comments, to which I listened with great interest. I particularly appreciated the fact that she really thought about the issue, saying that she found this war difficult to accept, and explained why. That is a rarity in our parliamentary system.

She told us it was hard for her to vote on this kind of motion because there were other reasons she would have liked to include, but that in the circumstances, she would vote in favour of the motion if we ever voted on this issue. This is not a confession but it is an almost embarrassing expression of honesty.

As I said before, she really thought about the matter. She said she didn't know what could be done. There were so many people suffering. I heard all the statements that have been made since yesterday. As you know, and the hon. member said as much, she was a guest of the Canada-Israel committee. She saw part of the what the Canada-Israel committee wanted to show her. However, she is aware there is always another side to these issues. There are millions of people in the Palestinian territories that have been waiting 45 years for people like her to get up and say: It seems to me something has to be done. And that is why I want to act as a witness to what she just said, as a witness who listened very carefully. I feel she has a good heart and is prepared to think about what will have to be done later on. What are we going to say once, this terrible war is over. We can go off to the crusades, to war, but meanwhile, parliamentarians have to do their job. If we don't take the trouble to think about these things, what are we doing here while the war is going on?

I will not talk about the essence of the issue, since that would be making a speech. But I want to say there must be parliamentarians. If we, as parliamentarians of the world, of the western democracies, limit ourselves to reflecting on what could be done—In that, I thank her for shaking me up, but not too roughly—people must understand that terrible tragedies will follow, not only in a small part of the world, but everywhere in the Middle East, horrible tragedies. Did we try to picture these two or three million refugees who are leaving because they are afraid, or because they are kicked out? They are living in tents, waiting for people like her try something, to find a solution or suggest something. I greatly appreciated her speech.

Mrs. Bourgault: If you don't mind I will first answer. I wish to thank my hon. colleague for his good words. Clearly, it is because I know people from that area that I might have a more open mind. What I was pointing out is that Canada should open itself to the world. There is war in the Middle East, but there might be wars elsewhere in the future, and if we are ignorant of traditions in those countries, it will be difficult for us to judge the reasons for those wars.

The hon. member raises an important issue and I congratulate the Canada-Israel committee for the way in which they showed us the country. I went to Bethlehem and in the occupied territories. I think, Mr. Speaker, that we should do the same with other countries in the Persian Gulf area, that is visit them to try to understand them and find solutions to this problem.

[*English*]

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, we were recalled to the House of Commons last week to debate a resolution to reaffirm Canada's commitment to the United Nations resolution 678 which authorized member nations to use all necessary means to bring the crisis to a successful conclusion.

Needless to say, all of us here have taken this responsibility very seriously. This is an emotionally charged issue for all Canadians, and for me personally I can honestly say that I have never before been called upon to take part in such a difficult decision for all members of Parliament.

In the name of peace, a brick was thrown through my constituency office window. In the name of peace, I have been told that we should bomb Iraq. In the name of peace, I wish we could all lay down our arms and use this energy to help the homeless and the underprivileged.

In the name of peace, I wish Saddam Hussein agreed with me. He can still join the forces for peace.

Since the United Nations inception some 40 years ago, I do not believe it has ever had to face such a difficult crisis. Throughout its history, the United Nations has been instrumental in resolving conflicts in restoring and keeping peace in many regions. However, the effectiveness of the United Nations as an international body of dialogue is now being put to a test where its future effectiveness may rest on the outcome of this war.

• (1330)

I believe that everybody wants peace. I do not know of a single member of Parliament who is in favour of war. What we are really debating is the most effective method by which we can achieve a lasting peace. Of course, we should try to avoid war. I believe that is what we have tried to do since Iraq invaded Kuwait in August.

Sometimes war cannot be avoided. That was one of the lessons we learned from the Second World War. World War II also taught us that we can wait too long before we move to stop an aggressor. Chamberlain's politics of appeasement did not work in 1939.

What I feared most is that in our quest for peace we would allow Saddam Hussein to develop his arsenal of war to such a level that in a few months or a few years we would be facing an even more dangerous aggressor. How would that serve the international community and the cause of peace more effectively? I have trouble with that concept.

Before the outbreak of war I heard that at the first sign of fighting Canadian troops should pull out. But in all good conscience, how can we? What do we tell our allies, "Get on with the job. I'm 4,000 miles behind you"? If we do, how will our commitment to upholding world order ever be valued again? How moral is it to cut and run?

Canada has earned the respect and the trust of all nations because of the effectiveness of our Armed Forces, not only in battle during the First World War, the Second World War, and the Korean War, but also because we have been an effective member of the United Nations peacekeeping forces. Our history is not one of following the United States into battle.

After the First World War, Canada has always made these decisions at home and that is the tradition we are still following today. Canada has always stood for freedom and Canada has always stood firmly with her allies wherever freedom has been threatened. We have never run away and left our allies to do our fighting for us and we are not going to do that today.

The United Nations was formed to provide a forum for resolving international conflicts. Our presence in the gulf is in response to the collective voices of 28 member nations calling for a solution to end the conflict initiated by Saddam Hussein when he used his military might to invade and occupy Kuwait.

Until January 15 we were there to monitor the sanctions imposed by the United Nations. I was always hopeful that a last-minute diplomatic effort might bring a peace, but all diplomatic efforts failed. Saddam Hussein is not interested in dialogue or negotiating and I do not think he shares our concern for peace, justice, and human life.

To those that feel we should wait a little longer for sanctions to work, all I can say is that if Canada had been invaded I think we would all be praying for freedom-loving nations to come to our aid. We would be hoping that others would send their sons and daughters to liberate us. I hope the United Nations would respond to our cries for help, as we have responded to the cries for help from Kuwait.

This is not a time for our allies to have to question our support for the United Nations coalition but, more importantly, it is a time for our young men and women in the Armed Forces to know that we are with them 100 per cent. Their families must also know that we do not take their commitment to world order lightly.

If ever there was a time to show a united front, it is now under the leadership of the United Nations. Therefore, Mr. Speaker, I believe that we must follow through on our resolve and support the government decision to stand with our allies and take whatever action the United Nations forces determine necessary.

We know that our forces are engaged in a war. I say this with a heavy heart and much sadness. I have lived through war and I do not wish the experience on anyone. I pray for peace and I pray that this war is over quickly.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I listened to the hon. member's speech with great interest. However, I noticed that she said if Canada was invaded from other countries, we would not cry to our allies.

The question I have for the hon. member is: Where was Canada when other smaller countries were subjected to aggression? Where was Canada when other smaller countries were being trampled upon by invaders? Where was Canada when Cyprus was invaded by Turkey? Or is that another story because there is no oil there? There is no interest. We were not invited by President Bush.

Why does Canada only speak out against other aggression but do nothing? Why the double standard? Why should we not form a unique policy and stick to it? Or is it that this time we have particular interests? Or is it that at this time we have to heed what President Bush says?

Let me not be misunderstood. I am with our forces 100 per cent. But I question the double standard of the government and the party which she represents.

Mrs. Anderson: Mr. Speaker, I thank my hon. colleague for his question. I would like to say that the United Nations was formed 45 years ago to unite countries and to assist in keeping peace in the world.

We went through quite a period of time with the cold war. The cold war kept the actions of the United Nations suppressed. It was not able to carry on and protect many of these countries. Now, with the cold war diminished, we had every hope that this body of nations would work.

I must admit at the time that Cyprus has been helped by our peacekeeping forces and that was under a Liberal government. However, I think that the United Nations is still the body to work with for peace and international law and order.

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, earlier today an hon. member stated, and I quote: "Too many Canadians have died in wars in history to have this country turn its back on the need for a co–operative United Nations in the Middle East. To not fulfil the obligations and initiatives of the United Nations, it would reduce Canada to a less than mediocre entity in the world community. Canadians have died for liberty, for justice, and for individual rights and the United Nations in the manifestation of the ideals for which they gave their lives."

The Acting Speaker (Mr. Sobeski): Excuse me. Is the hon. member on a question or debate?

Mrs. Feltham: It is a question.

The Acting Speaker (Mr. Sobeski): Well, would you please ask the question?

Mrs. Feltham: Mr. Speaker, in reliving some of the things that happened pre–World War II, I would like to ask my colleague if she sees a parallel between what happened in pre–World War II and what has happened over the last year in Iraq.

Mrs. Anderson: Mr. Speaker, the situation that led up to the present situation is very similar to what happened before World War II. There were a lot of people who were frightened of war. They did not understand what we were getting into. I can understand that fear. It is not an easy thing to address to oneself.

• (1340)

However, we stood behind our soldiers and we helped them by standing behind them. It was so very important for them to be assured that we were for them, thinking of them, and praying for them. I think this is behind every situation like this.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, with what a tremendous hope this country entered 1990 and with what a shattered hope we are now entering 1991.

This is a war that was to be swift and definitive. Yesterday, on one channel that I watched as I joined other Canadians in trying to keep up with the news, Mr. Bush was reported to say last night that this war will not be short, nor will it be easy.

I join every member of the House in feeling tremendous support for and tremendous pride in the young men and women who are representing us in the Persian Gulf. I also join with those in the House who believe they are heroes already because they are there, prepared to do what their country asks of them. But I do not agree with the role that their country is asking of them.

That does not mean, for a moment, that those of us who do not agree with the role, do not support the men and women on the front. But I am terribly concerned. In 24 hours, we have gone from President Bush pumping up the world, preparing it for a war that would be short and "clean", to saying now that we are facing a war that will not be short and will not be easy.

This war is a mistake. Like most Canadians in the last three days, I have left meetings and I have left the House, and I have gone home and been glued to the television set. That, in itself, is different for us as Canadians, when it comes to war. I have been glued to the television set hoping that I would get the news and that the next little piece of the story would tell me more about what is happening.

Like other Canadians, I have sat riveted to the television set late into the night for the last three nights and two things have struck me. First, because we are getting live reports as events unfold, we are operating on unverified information that changes from minute to minute. The whole country and the whole world is on a roller–coaster. As we saw last night as the bombs were dropping in Israel, there were all kinds of rumours about what was happening. That struck me as being the new way in which we will view the war. We will all be there with a picture window on the theatre of war every night.

But the other thing that struck me was when I was watching CNN at around six o'clock last night, was a caption that said "authorized footage from the American military". That made me think and it struck me that every night on television we see footage very quickly of other skirmishes around the world in other wars around the world. We have seen some pretty horror–filled stuff, starting with the Vietnam war, through the eyes of television.

But when I started to think about that, I had a sense that I was watching pictures of pilots getting into planes, pictures of pilots getting out of planes, pictures of troops being moved one way and the other across the desert. I was seeing a lot of file footage. I was on the roller–coaster because there is a voice background about what people think is happening. Yet, I felt that I was not being shown the truth about the impact of what had happened. I think Canadians are starting to feel that, and are going to increasingly feel that.

It is true that in the first three days we have not seen the impact, but we cannot be protected forever from that impact. If we have the technology to be there, then why should we start censoring what Canadians are going to see?

I am very concerned about the kind of sense that that is going to leave Canadians with. Today on CBC radio, when I was driving in this morning, there was a psychologist talking about how we as Canadians are responding to what is happening in the gulf.

In talking to some people I have found that they were made to feel embarrassed about feeling anxiety about this war because there are those who say: "If you think we've got it bad, think about those in the gulf."

It is normal for people faced hourly and continually with an unknown quantity like this war to feel anxiety. It is important for us as Canadians to talk about that and also to think it through to come to a conclusion about what we as Canadians believe we should be doing about this great and horrific unknown.

What troubles me about many pieces of this debate in the House is that there are references to only talking about half the story. If somebody is talking about the humanitarian side, somebody gets up and says: "You're only talking about half the story," or "You're only talking about the people in Iraq. Why aren't you talking about the people in Saudi Arabia? Why aren't you talking about the innocent victims in Saudi Arabia? How can you just talk about innocent victims in Iraq?"

In the time we have nobody can cover the whole blanket. But we do all have concerns and we are trying to cover the whole blanket collectively. If one speaker talks about innocent women and children dying in Iraq, it does not mean they do not care about the innocent women and children in Saudi Arabia. If one person speaks without mentioning Israel, that does not mean we are not terribly concerned about people in Israel.

An hon. member: A good point.

Ms. Langan: Mr. Speaker, we do not have the opportunity in Question Period, for example, to expand our argument to be all–inclusive. We have to focus to one area. Yet we have responses, both from ministers and members on the other side of the House, suggesting that when we are trying to deal with one issue, somehow we are excluding all the others. That I think is a tragedy. It is a tragedy that the Canadian people will soon start to figure out. It is mischievous and it is deceitful. It is an example of how the government with its disdain is starting to show itself to Canadian people. It is with disdain that the government in fact has shown itself to hold Canadian people.

I would hope that as we continue this debate, late into the night to ensure that we all have an opportunity to speak, people will believe that there is not one parliamentarian in Canada who does not feel a tremendous level of patriotism and that we all are terribly concerned. We may not agree. I may profoundly disagree with the government's position on this very important issue. But because we raise issues of concern, we are not somehow less patriotic or somehow less committed to our young men and women in the gulf.

One of the things that has been missing in this debate is input from Canadian people.

• (1350)

The hon. member on the government side of the House who spoke before me mentioned that she was doing things in her constituency to ensure that people could make contributions to the war effort. I had hoped I would have had an opportunity under questions and comments to question her because, while it is very laudable that she is encouraging people in her constituency to bring donations and so on— and that is another piece dealing with the whole question of the war and its impact— I had wanted to ask her if she in fact believed that at this point a pause for peace would not have made a tremendous impact.

Today, the hon. member for Victoria during Question Period indicated to the Secretary of State for External Affairs that U.S. commanders had said the air raids which involved more than 1,000 sorties by American, British, French, Saudi and Kuwaiti aircraft had broken the back of Saddam Hussein's air defence system, command control, and communications organization. He said to the minister that he would urge the Prime Minister to urge the United States to consider a pause for peace.

The howls from some members on the government side were shocking. Even more shocking was when the Secretary of State for External Affairs said: "We are not going to reward Saddam Hussein with a cease–fire."

Well, a pause for peace is not a reward that anybody is asking for, for Saddam Hussein. A pause for peace is a reward to the allies. It is a reward to the victims, the women, and the children in Saudi Arabia, Iraq, Kuwait, and Israel. It is a reward for the families and friends of those who are serving Canada in the gulf, and it is a reward for the world if it ends the war.

The suggestion that a pause for peace was suggested to reward Saddam Hussein I think is shocking and despicable. It was meant only to discredit somehow what was said in a genuine way by an hon. member of the House.

I said that I was concerned and sad that Canadians have not had the opportunity to input to the government their true feelings. Indeed, many Canadians have not determined yet what their true feelings are about this war.

I was very fortunate, as we were being recalled to the House of Commons, to be at a meeting where there were a number of my constituents. I quickly took out a pen and some paper and asked them to tell me as I came back to Ottawa what in fact their feelings are about the war. These letters are a week old and many events have unfolded since then, but I do not think the sentiments of these constituents have changed.

The letters begin: "I have asked Joy Langan to tell Brian Mulroney my feelings about the Middle East crisis." That is all it says. I did not try to guide their thoughts. These are a couple of them and I would like to put them on record.

The first one, from a woman named Bernice Gehring from Maple Ridge, states:

> My aunt, Dogney Anderson of Craigmile, Alberta was named the first mother of the year because she lost her three sons to the Second World War, all within three weeks.

She died in her eighties believing that Canada would never again enter into or be supporting war.

You have a responsibility to her and to all of us.

Respect our belief in peace.

Bernice Gehring

I have one from a gentleman in my riding which states:

Mr. Mulroney, I, Lou Schillaci, am a naturalized Canadian citizen. My former nationality is a United States citizen. I served in that country's armed forces from July of 1967 to October of 1971 when I received an honourable discharge from the U.S. Air Force. I moved to Canada in search of employment, having married a Canadian citizen in 1971. In August 1980, I chose to become a Canadian. I live here proudly and one of the reasons I have stated as a reason for my decision to adopt Canada as my country is that Canada is a peaceful nation. Their army is used for peacekeeping services, not war. The problems in the Persian Gulf should be negotiated, not solved by intimidation and threats of war and Canada must lead the way to peace. Your government's position in this situation is not reflective of my own and I beseech the Members of Parliament to withdraw Canada's support for the war in an offensive manner in the Persian Gulf.

I have a lot of these. I will not try to read them into the record. I will, as I promised these people and as I promised the students who wrote letters and came to my office, have them delivered to the Prime Minister because I believe those Canadians have a right to be heard.

The night action began in the Persian Gulf, I listened to the news late into the night. About the time I went to bed, I think they were estimating that about 150,000 people had died. Later we heard it was 350,000. Some people said that was right and some said it was wrong. It is not relevant; I could not imagine the horror and the carnage that would kill 150,000 or 350,000 people. I could not conceive how horrid that slaughter must have been. I do not for a moment defend Saddam Hussein but I do believe that if there were ever a dream and if there is a dream now, that one moment of peace for negotiation or for reconsideration or resolution of this problem is worth our egos, whether it be the President of the United States or the allied forces, who stop this from continuing.

I noticed another thing on television and I am quite concerned about it and it is not the kind of thing that grabs the headlines. I noted when I was watching the air raid on Israel last night, pictures of children putting on gas masks with gaping holes because they do not fit properly and mothers putting plastic bags over and around the gas masks and pictures of a child in a crib with ordinary plastic over the frame.

We have the technology and the money to spend a million dollars on a cruise missile. I am absolutely flabbergasted that we do not have gas masks to fit children. Maybe we have run out, I do not know. I am asking the question. Maybe the government will be able to tell us. I was just astonished by the tragedy of children having gas masks placed on them that do not fit, using plastic bags to hold it together and the trust on the faces of parents thinking that would protect them.

This war, I think, is the biggest heart-break for all of us. For every mother and father who has a child in the Middle East and for every mother and father living in the Middle East with children; for every one of us who believed and dreamed a year ago that we were, in fact, entering a new world order, that it was going to be a world in which we could talk to each other and resolve our differences, a world that could grow up and get away from the school yard style scrapping and the egotistical, "I am bigger than you" or "might is right" or all the things that were part of the old world order. For many, many of us that dream is shattered.

• (1400)

I will ask one more time, as I am sure my colleagues will before this debate is through, please, Government of Canada, ask the President of the United States to pause for peace, to give this war an opportunity to end before the horror continues.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have listened very carefully and thoughtfully to the words of the hon. member for Mission—Coquitlam. I have two very specific questions to ask her, but I wanted to say a word or two before asking them.

I do not think any of us in this House could possibly fathom the horrors of war. We all share the feelings, fears and frustrations of the families and of the victims of the present hostilities in the Persian Gulf region.

While I was listening to the hon. member, I was going through my signature book and I, too, came across a letter from one of my constituents, a Mr. Raymond Dewar of Richmond, British Columbia.

I would just like to read the very short words of Mr. Dewar. He says:

> Today's *Vancouver Sun* reported the campaign being launched by a large number of groups under the general caption of "Peace Organizations".
>
> Similar "Peace Organizations" in Britain during the 1930s were able to intimidate the government of the day. The result was a failure to take action when action was possible. They helped to make Hitler's early conquests possible and made it certain that World War II would occur.
>
> Certainly the United States has made mistakes in previously supplying Iraq, and certainly there are economic considerations involved in preventing the control of oil. But it is also clear that unless Iraq is stopped there will eventually be a Middle East war, probably with Jordan joining Iraq and invading Saudi Arabia and the other small states. They would then turn to exterminating Israel, and Israel would use its atomic weapons and all other means. The time to take action is now.
>
> Please, stay firm in the resolve of the Government.

This leads me to my three simple questions. I hope the hon. member for Mission—Coquitlam would take note of these, because they are quite fundamental, practical questions.

My first question is: Why were the people in Tel Aviv last night wearing gas masks? Which nation upon this earth has chosen to use poison gases and perhaps biological weapons in an attempt to exterminate another neighbouring country?

Second, while I appreciate this is a hypothetical question, I would ask the hon. member and all members opposite: Had Kuwait not happened, had the war not been started by Saddam Hussein last August 2, had the first hostilities been an attack by ballistic missiles on Tel Aviv last night, what would the position of the New Democratic Party be in such case?

Shall we sit back and wait for more missiles to fall? Would Canada stand idly by? Would we have a pause for peace today? That is a very good question that I think the New Democratic Party should answer.

Third, had the counteroffensive against Kuwait been launched unilaterally on August 3 or 4 by the United States, or had a counteroffensive been launched last night by Israel against Iraq today, what would be the plight of Israel?

If the counteroffensive had been launched by the United States without the support of the United Nations and this country, if the counteroffensive had been launched last night by Israel, how much greater would the possibilities have been of a huge conflagration in the Middle East, one which would be surely stopped because of the combined efforts for peace by the United Nations coalition of which Canada is proud to be a member?

Ms. Langan: Mr. Speaker, first I have to say to the hon. minister that try as I might to write down those three questions so I could give him a response—and I am not going to invite him to repeat them again—he said three questions, the last question was about five questions in itself.

I would point out to the minister that I made a very serious speech. I asked some questions in my speech, questions about fact and they were answered by the minister by asking me rhetorical "what if" questions.

Mr. Siddon: This is the time for you to answer questions.

Ms. Langan: That is right. I am trying to answer but the hon. minister wants to argue with me, Mr. Speaker.

But I will stand here and I will address as best I can this long list of questions. The minister said, "Why were the people wearing gas masks last night?"

An hon. member: Right now.

Ms. Langan: That is fine. I am in the House. I am sorry, I am not watching a television monitor. I am in the House and I am dealing with my knowledge when I came in the House.

The question is, why were they wearing gas masks last night. My response to that rhetorical question is, we all know why they were wearing gas masks last night. That is a silly question. The question is: Why are there not gas masks to fit children? Why are we standing here asking questions about why are they wearing gas masks instead of saying, would it, could it be possible that there could be dialogue for peace?

Mr. Siddon: Six months.

Ms. Langan: The hon. minister said "six months". We had six months and nothing happened. We have struck a very, very horrific blow against the people of Iraq as well as Saddam Hussein. Nobody in this room is defending Saddam Hussein. We are saying, let us talk, let us think, let us see if we cannot at least among ourselves talk about a way to start toward peace.

The second question was also speculative: Had Kuwait not happened, what would the position in the New Democratic Party be? First of all, when we take positions we are dealing with positions based on what did happen, not "but if this did not happen our position would have been". Really, I think the minister is just a little bit confused in his questioning.

I appreciate that the minister sat in the House and listened to my speech. I would appreciate it very much if he would think about what was said in my speech. Rather than trying to trap and trip each other up, we should look at ways to resolve the crisis in the Middle East.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, first of all I think the last point the member made was exceptional. That is the point to be taken. We say we are going to be non-partisan but we still get into one-upmanship, or the feminine gender of that, and "we are more moral than you". It was very evident today in Question Period. Let us try to outdo one another and let us try to insult colleagues and try to make restitution or perhaps an apology later, but not likely.

In any event, I want to say that the member brought a human face, a very poignant message, so I do not think anybody should try to trip her up and say, "What about this, what about that" and what about a hypothetical question.

My question to the member is a serious one concerning the cost of war. We can look at it in two ways. First, the cost in human lives. She mentioned the numbers 150,000, 350,000, one million. Where will it end? We have no idea of the human cost as of yet. Second is the monetary cost. Some people say in the prelude to this war, in 1990, it has already cost $30 billion. The *Globe and Mail* cites today the Congress of the United States saying it may go to $86 billion, a $2 billion a day war. At what cost do we continue this war? Why did we start it and at what human cost, what monetary cost? Could we not spend money in a more beneficial way in this world in this present day?

• (1410)

Ms. Langan: Mr. Speaker, I think my colleague's question almost begs the answer. Of course, the cost is incalculable, both in this war and in a continued way, both to the Middle East, to the world, to the environment, to the people, to our parents in Canada who have children in the war, and to children in Canada who are watching television and who are frightened. The cost is incalculable. We can go all over the world and we can find places where this war is taking its toll, whether it is monetary or emotionally.

Mr. Speaker, just one last word, because I was trying to answer the three specific questions of the minister earlier. I neglected to answer his comment about peace organizations in England intimidating the government from taking action in the Second World War. He referred to his constituent's opinion. I would like to remind Canadian women today that women in Canada are taking action for peace today and we should not be frightened.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I think, like most members this week, we have entered into this debate with a very heavy heart, and obviously, as far as I am concerned, with a very troubled mind. It is not easy. Frankly, I have gone through a mental miosis this week as to just where I was going to come down.

I have to say that on Tuesday when this debate started, and this may surprise some members, I thought the Prime Minister gave one of the best and strongest speeches that he has given since he has been leader of the Conservative Party and certainly since he became Prime Minister.

Certainly during Question Period that day the Secretary of State for External Affairs, much to my surprise, because I have often differed from him from time to time, I thought again showed a grasp of the situation, and in his contribution to the debate it helped, believe it or not, affect my thinking.

Earlier in November I voted against the government motion and supported the amendments against the government motion because I honestly believed then that there was more time for these sanctions. Having heard the Prime Minister and the debate here in the House from other conscientious colleagues, I started to shift. I still wondered, but the wonderment and confusion was gradually being erased from my mind.

I am not going to go over all the horrors and cost of the war. There is a cost of war in bodies. There is a cost of war in dollars. For most of us in this House, the only reason we know about war is watching television and the Vietnam war. We have read books and we know it is not good. That is what makes it so difficult. The public out there is for peace. We are all for peace, too, and against war, every member in this House.

Obviously, as we listen to different members, we have different ways to approach those two fundamental basic issues. But to try to cloud the word and try to trick other people and pretend to the public that there is not a member against war and not a member for peace, that does a disservice to the member who is trying that.

Having said all that, I think the Prime Minister was correct. His speech was powerful. I slowly shifted. I said in November that I did not want my two sons to go to fight in the shifting sands of the Persian Gulf, where the sands themselves are symbolic of the shifting alliances and the shifting allies that have been there for hundreds of years and/or even in recent years. But, I started to come to the conclusion that one must look at what happened in Manchuria, Ethiopia, and Spain was not mentioned earlier, Austria, Czechoslovakia, and finally the line was drawn at Poland. After all the periods when the so-called free world in the thirties did not move, in my own mind on Tuesday I thought that "Well, Patrick, you have to face up to this, you cannot hide behind a party label because you are an independent member now". Frankly, I thought at one time it was going to be easier if I could have hid behind a party label, but I knew I could not. I was slowly coming to the conclusion that, boy, the chips are getting pretty close. You have to support the reality that there have been mistakes. I am going to review some of the mistakes, but we do not have too much time in this debate. Quite frankly, I wasn't even going to speak.

My first point is that I have come to be embarrassed that this House is still debating this motion. What would I do if I were in the Persian Gulf serving with the forces that we have been so laudatory about. We are supporting them so well. We are all with them and the allies, and we are all against Saddam Hussein. If I were a little Canadian over there in the Sinai Desert, in Arabia, in Qatar or in any such interesting place, if I turned on the old CBC international before the government cuts it off—but that is a digression—and I heard that the Canadian Parliament was in the fourth day of debate to approve a resolution to support military action and the action of the United Nations in getting Saddam Hussein, if I heard that members were still debating this mission, I would say that is the whole reason the public thinks this Parliament of Canada is full of hypocrites and out of touch with reality; especially if I found out that the United States of America, from talking to the GI Joe over there, took up the debate in its Congress, with 435 congressmen and 100 senators, for two days. Fundamentally they are the ones who are the most involved in this matter with some 400,000 troops, let alone all the dollars involved.

They came to a decision in a very divided House because their country is divided. We know what the debate was. I was amazed that the Senate, run by the Democrats, did not vote against the President and/or the House of Representatives, almost two to one Democratic. It voted very solidly for the President.

There I am a Canadian with this GI Joe, and he is saying: "What is your country doing debating the resolution? You have 2,000 people around here and three ships out in the sea". Then I find out that Great Britain voted in one day. Of course it has different parliamentary procedures but it voted very fundamentally in one day. It had its debate—and we know there are different rules over there—but with a heavy, very definite socialist Labour opposition the vote was 534 to 57.

Then we come to President Mitterrand of France which has troops in the Middle East. They in their Parliament in a day voted 523 to 43 to support the United Nations. Then we have the socialist government in Australia and the Government of Netherlands which has a lot of socialist members. Again they supported—and I do not know the numbers— the United Nations. Yet we are still debating this resolution.

Let me deal with the last part of the Prime Minister's speech. Frankly, I give the member for Vancouver Quadra full credit, as I give full credit to my former colleague, the member for Fraser Valley, for speaking from the heart. Even though they took different positions, I empathize with the member from Fraser Valley because I said some of the same things in the debate in November. I know we had anguish in that debate in November because he wanted to speak, but there were different suggestions that perhaps he did not speak then, and he had the guts to speak on this debate.

We then had the former leader of the Liberal Party, the member for Vancouver Quadra, come into this House in a most dramatic way and make his presentation. After all the years I have been in this House it was one of the more dramatic moments I can remember, other than the Munsinger affair in the second year I was a member here in 1966. One of my colleagues was here. His name was Mr. Justice Cardin. He was standing over there and throwing out the name Monsignor affair, when he meant the bishop in Quebec. That got everyone involved in a two-day vote of privilege. That was one of the more dramatic moments that I can remember when the member for Vancouver Quadra made his presentation on such a large issue.

What are the guts of it when we shake it all down regardless of the mistakes that have happened before? George Bush and I have not agreed with all the moves of the government that have got us here. Let me turn to the speeches of the leaders on Tuesday. I listened to the leader of the Liberal Party. Frankly I respect him and like him as a person, but I got totally confused in terms of the policy of the Liberals on this motion, having known a little about Mr. Pearson and a little about the history of this country. It was listening to the leaders that day that started to switch me, but, if I had any doubt, it is when the bombs started to move and the fighter planes took off that night. That is the time when I think you have to put up or shut up.

• (1420)

With all the reservations, this is not the first time that there has been a multinational force in the Middle East. Good gracious, as far back as 1,000 years ago, under the cross of Jesus, the Crusades came into the Middle East and they did not solve much. In fact, one could perhaps argue that what happened then, in terms of trust and mistrust, has left behind some of the fundamental problems we find in the Middle East today.

If we have to worry about that, let us talk to that romantic character called Lawrence of Arabia and all the promises he gave to the Arabs in the First World War to try to inculcate and make sure that the Arabs fought against the Turks and, in so doing, against the Germans. Those promises were not kept and we know other things were done after the First World War, with the creation of the State of Israel.

All of these things are part of history and we are in a very real quicksand in this situation, with all of that history. That is why I have had the fundamental concern about going to a war in the Middle East and not exhausting all the problems of sanctions.

Then, we get into the presidential policies and/or the policies that have now been supported by all the members of the coalition, the deadline of the United Nations and no discussion until there is a full withdrawal. These are the sort of elements from the Second World War of unconditional surrender. And all historians say that it was the policy of the allies of unconditional surrender, which seemed so good at the time, that prolonged the Second World War for anywhere from two to three years, with all the consequent loss of lives and loss of dollars.

We were getting into that position. I could not understand, from reading the papers and listening, especially to CNN and other broadcasts, as we headed into the United Nations debate and on the days afterward, up until January 15, why the west, the allies, the coalition of which we were part, which is bigger by millions than the country of Kuwait which has a population of 17 million, had to worry about saving face. It is an irony that hit me. Good gracious we get into this situation of ultimatums, withdrawals, no negotiations, the charade that there is no linkage, and here we have the 17 million against all the other millions in the coalition and the irony that here that part of the world believes so much in face and we believe more in lives.

As this debate began at the first of this week, I was certainly ready to opt for the lives, forget about face, and make sure we had a conference. And whether there was a blink or a wink, to come up and say that, as I guess people tried to do in the last two or three days, after Tuesday when the bombs and planes started to fly. I could not believe it because what concerns me, regardless of the history that I have recounted and the shifting sands of the Middle East which are completely symbolic with the shifting allies you have in that country, is that with all the history I am not seduced at all. I am very concerned about the slogans about the surgical strike.

Mr. Speaker, you and I may be mild historians, but in the Civil War the slogan was "One week to Richmond". In the First World War it was "Three weeks to a victory parade in Paris" and in the Second World War it was "A Month in Normandy and Berlin by Christmas". All these things we do not even have to think about, but we should and I hope leaders thought about the situation when the United Nations last acted to get itself involved in military action, i.e. Korea. Korea moved like a piece of cake until we got to the Yalu River and started to make a fundamental miscalculation, which involved the whole Republic of China and all the consequent loss of life there that was needless and unnecessary and perhaps would not have happened, if there had not been some miscalculations. Perhaps, for different reasons, Israel, that we all looked at last night with such anguish, may be the Yalu River. Who knows? For all these reasons, Mr. Speaker, I am most concerned indeed. I believe we have the power and the American technology for this war. There is no doubt about it.

In watching CNN this morning, the laser bombs going down air vents, tremendous, but horrible. Yet, all that technology could not even keep out radar bugs and a fellow called Noriega when the Americans visited little Panama. I hear Noriega is going to be in the Supreme Court for the next two or three years, hopefully long before this crisis is over.

We have all these things. Sometimes technology does not do it, and I am concerned. I do not believe this war is going to be over in two or three weeks. I think it is going to be much longer.

I do believe, as a lot of the experts I have listened to have said, power versus patience. What concerned me from the start in this thing—and it has not been touched much—is that it has not really been examined again in the United States, and perhaps it would be unpatriotic to do it.

The biggest problem I have with this is the American ambassador to Iraq, eight days before the invasion when she, April Glaspie, had an audience with President Saddam Hussein. Among other things, he said: "You people are weak. You cannot sustain 10,000 bodies in a battle". That shows you where patience is going to be against power and that is what we have in this crisis.

But the worst thing that was said is that when he, the president asked her: "What is the position of the United States with Kuwait?" She replied—and she was echoing American middle eastern policy that was examined by the subcommittee on middle eastern affairs, chaired by Lee Hamilton three weeks earlier—"that is a long-standing boundary problem between your country and Kuwait. It is an Arab conflict, and you do not have to worry about the United States on that".

That was the worst signal to send because it was eight days later on August 2, that the invasion occurred. After all of that we now are where we are today. I do agree that we should have called Parliament earlier and had a debate in a more general atmosphere when we were not in battle. There is no doubt about that. When President Bush escalated the whole equation the day after his American election by 150,000 troops, not being a great military genius, but starting to realize that this was going to be more than just a smouldering problem, I knew in my mind that we were on a one-way street. But I still thought the leaders of the alliance, for example the President and/or Saddam Hussein with others trying to influence him, would not get everyone boxed into a position so those planes had to fly.

Having said all that, what I could not understand about the Liberal position without getting too political was that in effect once hostilities were brought out, they were going to bring the people home. If it was a UN flag, it was fine; but if it was not an UN flag it was not very good.

I can tell you that long before the member for Vancouver Quadra spoke, but after I heard the Leader of the Opposition speak Tuesday, I thought of Mr. Pearson. I honestly thought Mr. Pearson, who had such a contribution to make for peacekeeping and his interest in the United Nations, would be rolling over in his grave.

I know my time is moving very quickly, Mr. Speaker, but I just could not believe this: they were there to do a good job, but if hostilities break out we have to run for home.

Without going into a lot more history, some members may remember, although I will bet you that the majority does not remember, that in the Second World War when I was a little cadet I went to camp. On the first weekend pass, I ran home and told my father that I had met some of the finest men in the world. They were soldiers up in camp. It was pretty full; it was wartime. My father asked me who they were. I am not going to say the regiment, but I did give him the name of the regiment. I was a kid

then, 16 years old. I should not have been in cadets because I was two years too young, but I was six inches too high and got in. My father said: "Oh, son, they are very good people, but these are zombies". I said: "What do you mean, zombies?"

• (1430)

"Oh, those zombies. They are fighting for Canada. They enlist, but they are not to be sent overseas." That was the condition without getting into all the internal and domestic politics then.

That was the Second World War. I did not believe, until I heard the leader of the Opposition yesterday or the day he spoke, that in effect his position on the troops retreating if hostilities broke out, the Canadian forces were going to be international zombies and the laughing stock of the world.

Mr. Speaker, you are telling me that my time is almost up. I have not really got started, but I know time is precious here.

I just want to say that when the chips are down, the planes start to fly and the fighting breaks out—coming back to where I started—I cannot believe that, if I were a soldier over there hearing that we were still debating this, I would think that debate was in my interest.

Saddam Hussein may be listening to a little of this. He has heard some funny things in this Chamber, but it certainly has not upset him.

In conclusion, I want to say that I agree—because of those two speeches—with the member from Fraser Valley and, obviously, the member for Vancouver Quadra. I repeat what the NDP tried to get here. I think it would be interesting. I think we should, as a public duty, have Opposition members and other members take out their spleen on the government, because it is not in good repute.

I really think if the Gallup polls were not reflecting some of the things that they do reflect—that is reality—that this debate may not have continued as long.

Let's have the vote. Let's have it a free vote and just see where everyone stands on this.

I think I am going to conclude with what really shifted my thinking before the bombs and planes started to move because, then, I certainly did believe that we have to stand united. Otherwise, at the least, we are really going to be misunderstood.

I want to quote a sentence from the historic debate in the United States last week by Senator Danforth and by those who have watched the debate. Evidently, Senator Nunn and Senator Danforth gave the real classic contributions on both sides of the issue, and they were very close.

I came down, and I wish members would come down on this as I read it. It pertains to the United States. It is a very short quote, and this is what switched my mind before I heard the Prime Minister and the bombs:

> The key to peace is—

The Acting Speaker (Mr. DeBlois): Order, please. Your time is over. It is question and comment period.

Mr. Pat Sobeski (Cambridge): Mr. Speaker, I would like to ask the member for Annapolis Valley whether he could give us some quotes that might have taken place in the debate in the U.S. Congress that he feels might further elaborate upon the position that he was getting to.

I am wondering whether the hon. member would have any notes.

Mr. Nowlan: Mr. Speaker, naturally, I am very appreciative of the perception of the hon. member for throwing that question to me.

I would just like to read the quote of Senator Danforth. I think it is fundamental:

> The key to peace is maintaining a credible military threat, and this is precisely the point our pending votes will address. I cannot vote to deprive the president of the credible threat of force. It is indeed a supreme irony that it is only through the threat of force that a stable world can be maintained. But that is an irony that we have recognized ever since World War II.

In conclusion, to supplement that quote—I do have a minute or so on the answer—this is what has happened this whole year with the walls coming down and eastern Europe opening up. It was because there was a credible military force- NATO and the allies-that these things happened.

Some of the same people who are wanting to take a pause now and who always want to talk about peace, and not of military deterrent, were taking that same position in some of those times.

What really boggles my mind is that I understand the importance of the UN flag, but this position of some people and perhaps the Liberal position at the moment—I do not know what its position is—is to take the exception and say: "Oh well, if the coalition under the UN resolution was under the blue UN flag, that would make it all right."

Since the UN flag is not there, they can stand back and talk about more time for sanctions. This, to me, is not very logical. The last time the UN flag was used, it was a blue flag. There was an American commander, General McArthur.

I bet you some people in the House, if we debated that, would perhaps have been against the punitive UN commander whom we knew was going to be the commander: General McArthur.

Here, we have many UN resolutions. The allies under that UN resolution had many problems in coming to that, with all the dangers in that area. I do not believe that this war is going to solve the problems. I think we are going to be left with all those historic problems unless we do have that conference and we do admit the linkage.

But to try to hide behind a vote, to delay a vote, and to hide behind the argument, "Oh well, more sanctions", when bombs are flying, and not to come up with a vote to support our troops there now, and by this interesting specious argument of UN resolution, yes, but no UN flag, no, when in effect we now have an American commander in the Middle East without the blue flag but UN resolution, I just cannot understand it.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I will give a chance to others in a minute. I would just like to say I listened with great attention to the good speech made by my hon. friend. Historically it is never bad to say that I had the honour of knowing and sitting with his hon. father in this House so many years ago. I can recognize a great talent when I see one. The member has delivered quite an effective speech I must say. I would just like to be on record to say that I am delighted to see that some members, I may vote differently I do not know yet, agree that linkage and an international conference are the types of things that we should have looked into a hell of a long time before we reached the very sad time we are going through.

I will read again his speech. He went from I would say almost around the clock in his emotion on that debate from one position to another. To me, this is what Parliament is all about. This is what independency should be all about, regardless of how we will vote on this issue. I appreciate very much what I just heard.

Mr. Nowlan: I appreciate those words coming from the dean of the House who also served here when my father was here. I know we do differ from time to time on specific votes, but we do not differ in the respect that we both have for this institution and for the respect that you can have for members even though you can violently disagree with their positions.

If I may, I forgot to get this on the record, Mr. Speaker, because, again, I have gone on a roller coaster this week, as a lot of other members have. If it were not President Bush, it was President F.D.R. where polls are so fundamental, television is so real and there, that it makes it even more difficult perhaps for trying to pull together a coalition and all the things that are necessary when you get involved. I know we have to admit that those are things in the past now. We are in this battle.

I am all for the new order but unfortunately we have new orders but we have old dictators. That is perhaps part of the historic problem.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I too would like to congratulate the member from Annapolis on his speech, not because we are seat mates but because, as the member from Montreal indicated, it was an excellent speech.

The resolution we are debating is:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

I agree fully with the member that it would be almost preposterous for us to have a vote on this. Which member in this House could find himself or herself voting against a resolution like that. I may be wrong but I think a lot of members who were for sanctions before would find now, since we are in the thick of the fray, that to vote against it now would seem to be a knife between the ribs for the men and women who are serving on behalf of Canada in that part of the world.

I wonder though, and this is the question to the member, whether there may be an unintended benefit to this debate, which is that it gives the chance for members to make points as time goes by. Had we adjourned yesterday, and we did not, thanks I believe to the member for Calgary Northeast, the House would have been out of session. I think it is important that the House stay in session, even if members get up every day and give speeches on some aspect of the war or on latest developments. I wonder if the member might not agree that is the reason why this debate might reasonably continue practically indefinitely so that members from all corners of the House may speak. It seems nonsensical now to have a vote on it.

• (1440)

Mr. Nowlan: Mr. Speaker, I appreciate the comments of my hon. seat mate here. I know he shares many of the thoughts all members have this week.

I agree. I think if the House were to adjourn, the public would say the members are out for another holiday, even though we have come back before February 18. There is a real problem here. At the moment there is no business on the Order Paper. Realistically, I do not know what this House of Commons is going to be doing legislatively. But, yes, it does afford an opportunity for Questions Periods. The big point is this debate. I do not know if I agree with my hon. friend that all members will be voting for this resolution. I think the resolution should be put and the debate should be over with so that the Canadian in the Middle East is not embarrassed by other nationals asking what their Parliament is doing. "Is it still debating? You have a great bunch of wierdos. They cannot get together. They all preach United Nations support. They all say they are against Saddam Hussein. They all say they are for peace and against war. What the hell are they talking about?" Get the debate over, have the votes and then I do agree that between House Leaders there has to be an opportunity for the public to be involved.

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, I too think that this House should vote on this motion. We are three days into this war and I think that once all hon. members have had an opportunity to express their opinion that the question should come to a vote.

As the previous speaker mentioned, I think our Canadian soldiers and I am sure the international community will be looking for a signal as to just where the Canadian Parliament stands on this important issue.

There are some important principles involved in this debate and this whole question. They began with the invasion of Kuwait in August last year. That was an unprovoked attack. All members of this House, I am sure, agreed with the Canadian government when it condemned that invasion. At the same time, I am sure many members of this House did not believe that the condemnation by Canada or, indeed, other peace loving countries would be enough to reverse the flow of events in the Middle East. Condemnation alone was not going to work.

I believe it was very proper, therefore, that Canada in conjunction with many other countries of the United Nations invoked sanctions. Sanctions can do a number of things. I can tell you that at the time Canada invoked those sanctions, I had some doubts as to whether they were going to drive Iraq out of Kuwait, but I did believe it would put pressure on Iraq and hopefully that pressure, along with pressure from other countries in the world would convince them to pull out of Kuwait. At the time I did not think this would reverse the course of events. I am not making a categorical statement that sanctions can never work or should never be tried again. Of course they should be. Just as a condemnation by Canada the day after the invasion of Kuwait should be tried, so should sanctions.

The only question now is whether we should move beyond sanctions and support our soldiers and, indeed, all those fighting pursuant to the United Nations resolution. Should we give them our support now in forcibly expelling Iraq out of Kuwait? Obviously, we have different opinions and they have been heard in this House. There have been a number of reasons put forward, usually several in one argument as to why we should forcibly try to expel Iraq from Kuwait.

In a number of those arguments, I have seen individuals make the point again and again about the boundaries of Kuwait. I quote from one newspaper article which said that "the boundaries of Kuwait were arbitrarily set by a colonial power," as if that somehow lessens the legitimacy of a particular country.

I would be very hard pressed to come up with more than a handful of countries whose boundaries were not either set, influenced, or in some way shaped by colonial powers. Indeed, Canada's boundaries were shaped and set by a colonial power. That gives no other country in this world justification to invade Canada. That does not call into question the legitimacy of this country, nor should it for the State of Kuwait.

As well, I have had a number of people say to me that this is all about oil. I have had letters on that. Indeed, I was approached in church one day by someone who said that this was just about oil.

From my point of view, I do not support the United Nations resolution, nor have I supported the actions of this country involved with this because of oil, nor should anyone ever commit Canada or ever suggest that is the reason why Canada would go to war, because of oil.

While the lack of oil causes some discomfort for Canadians in terms of higher prices and I know that it has a very bad effect on the Third World in increasing prices, that should never be the justification for war.

There are those who continuously hammer and make the point about United States' leadership and the position of President Bush and the American Congress and that somehow this calls into question the legitimacy of trying to force Iraq out of Kuwait. I disagree with those individuals completely. Their dislike of either the American administration or the United States should not in any way cloud their opinion as to what is right and what is wrong. That has nothing to do with it.

I appreciate the fact that the United States is supportive of this. I appreciate the fact that the United Kingdom, France, Italy, and others are supportive of this. But, regardless, this does not change the principle as to whether or not Iraq should be in Kuwait.

Hon. members have made the point again that, if Canada is so worried about Kuwait, how about other examples? To that extent, I guess I agree with them. I believe the world did fail Ethiopia in 1936. We failed Ethiopia and we failed Czechoslovakia a couple of years later. I agree with those individuals who recognize and understand the fact that the cold war for almost all of my lifetime paralyzed the world and the United Nations into doing what is right. I would only suggest to them that, yes, we have made mistakes in the past. It does not mean that we have to make mistakes in the future.

One of the critical things as to whether or not we should go beyond words and sanctions was contained in a report that was released by Amnesty International a few days before Christmas. I believe that the Secretary of State for External Affairs tabled that report in the House of Commons within the last couple of days. I will refer to a news release which I would be happy to table because I intend to refer to it. It contains comments by Amnesty International, which I believe has no particular axe to grind other than to get at the truth, and it helped to convince me that we are dealing with a country that will not listen to sanctions, words, or condemnation by the United Nations or any of its members.

This is the news release that was released one week before Christmas, December 18, 1990. According to the investigations of Amnesty International, they detail how "Iraqi forces have tortured and killed many hundreds of victims, taken several thousand prisoners and left more than 300 premature babies to die after looting incubators from at least three of Kuwait City's hospitals. The report catalogues 38 methods of torture used by the Iraqi military, including cutting off people's tongues and ears, shooting them in the limbs, applying electric shocks to their bodies and raping them." It goes on to state: "Time and again we were told that the most common way soldiers killed people was to take the victim to his family's door-step, have his relatives identify him and then shoot him in the back of the head."

• (1450)

What is interesting about this is the Iraqi government never denied it. I was waiting for some sort of indication that this was not true or that they disputed this. I never saw that.

Any country that is prepared to invade another and start looting incubators and indiscriminately killing people is one that should be met with the force of Canada and every other peace-loving country in the world.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I agree with others who have spoken in the House that war is ugly, hideous, and horrible. Many people lose their lives.

At this point, the war in the Persian Gulf is but a few days old and the full extent of the damage is not known. I am not speaking of physical damage. We know that there will be considerable physical damage done to Iraq, now Israel, and perhaps other countries in the Middle East.

Does the hon. member recognize that there are hundreds of thousands of people who could lose their lives? I am talking about innocent Iraqi civilians, Israeli civilians, and civilians in other countries in the Persian Gulf who may lose their lives. Indeed, we know now that a significant number have lost their lives because of an international principle; that principle being that an aggressor should not be rewarded.

Has the member approached this very serious matter from a human perspective to understand what it may have felt like for innocent Iraqi civilians living in Baghdad, just as the innocent Israeli civilians living in Tel Aviv and Jerusalem, when the bombardment started and as the bombardment continues? Does the hon. member feel that these hundreds of thousands of people who will lose their lives—and we do not know the full extent of the human damage that will be done until the war is over— really care about international principles?

Mr. Nicholson: Mr. Speaker, I am pleased to answer the hon. member. He began by asking if I realized that, in pursuance of this international principle of the United Nations, that one country cannot arbitrarily invade another, and do I understand that people will be killed.

If we take that comment of his to its logical conclusion, then we are hamstrung, because we could never act. We could not have acted in 1939 because the same question could be posed. He could have said to me: "Mr. Nicholson, don't you know that if you try and stop Adolf Hitler now that individuals would be killed?"

I guess I would say to the people of Iraq that they should have been putting pressure on their government for these last six months to change course.

The hon. member is asking me from a human perspective. I guess I put myself in the position of those parents whose children have been violated in Kuwait, through no fault of the Kuwaitis. Kuwaitis were not at war. They did not provoke the war. They had done nothing to have this inflicted upon them. I guess I look at it from their point of view, the indiscriminate killing that has been taking place in Kuwait, and I say that should be condemned. It should be stopped. The international community should come together as one to drive those invaders out of that country.

That is the human perspective that I bring to this and I would ask the hon. member about the position of his party, that we should get out of there now. This is a bad one, a very bad one, and I hope that he would rethink that and say: "Look, we are here. We could get this job done. Let's get it done as expeditiously ask possible." That is possible. If this coalition sticks together, we can get this job done and I think that Israelis, Kuwaitis, and I am sure people of that part of the world will say: "This world is a better place to live in if Saddam Hussein is not a threat to this region."

Mr. Soetens: I rise on a point of order, Mr. Speaker. I would like to ask a question about the orders of the House.

The member who just asked a question earlier today used some very unparliamentary language and processes in the House. Madam Deputy Speaker was in the Chair and she indicated he would not be recognized until such time as he had done the parliamentary thing.

My question to you is: Does the position of the Speaker apply, or is it the position of the individual Speaker in the chair who is going to decide whether the member is going to issue an apology to the House for the manner and methods in which he spoke to the Chair?

[*Translation*]

The Acting Speaker (Mr. DeBlois): I have to admit that I am not aware of any such ruling on the part of the Deputy Speaker. I will inquire.

The member for York South—Weston was the only member who stood up for questions and comments and, since I was not aware of the incident just pointed out to me, I had to apply the rules and recognize the member.

That being said, I appreciate the comment and will inquire as to what should be done. If need be, I will follow up on this. I know the member in question met with the Deputy Speaker.

Resuming debate. The hon. member for Hamilton East.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, like many other members of the House and like many other Canadians, I have watched the events of the last 72 hours with the range of emotions, with the heart-pounding, with the adrenalin coursing, and with the sense of fear and foreboding about what this war might have in store for us as Canadians, and also what it might have in store for the world.

I had a prepared speech, Mr. Speaker, and I had a clear position prepared in advance of the decision of the United States to attack Iraq. The events of the last 72 hours have rendered that speech and, in fact, this resolution redundant. They have rendered it redundant because, like it or not—

[*Translation*]

Canada is at war.

• (1500)

[*English*]

While I am sure during this extremely emotional and difficult period for all of us it would be pretty easy for some of the government members to poke holes in the positions that have been taken by opposition members over the last number of days, I, speaking as an opposition member, personally. Have gone through the range of emotions and I have to tell you that whatever the outcome of this war, and I fear the outcome will be felt for many years to come, it was the wrong time. It was the wrong time because, in the emerging of a new world order, we did not give the opportunity for economic strangulation and for economic sanctions to work. Yes, it was the wrong war. And yes, last weekend I marched in my own community, side by side with members of the human race, representing Canada, Israel, Iraq and Kuwait, none of whom wanted this war.

The member for Niagara Falls spoke earlier about the atrocity of taking a baby from an incubator. Who, in his right mind, could ever condone such atrocity? But the atrocities that we are potentially about to witness will be wrought upon innocent victims. I do not speak only of women and children; there are innocent men, women and children on all sides of this conflict who will die as a result of the decisions of men to take us to war. I marched on the weekend with an Iraqi constituent in my riding who said to me that Saddam Hussein is crazy. That is why this person left that country. He could not have the input into direct foreign policy that he would like to have in a democratic country. But he has brothers there who have children and he has cousins, all of whom are under potential threat of imminent and innocent, individual death. In a war, there are no winners and no losers.

I think about the First World War when my grandfather watched his own father die on the field of battle not knowing it was his father and what that did to him. He was given six hours to live, his body was riddled with shrapnel; that was in the First World War. There is no war in which you have long-term winners and losers and one of the emerging truths of the 1990s was that we were supposed to be entering a new world order, where civilized countries would find civilized ways to deal with human nature. We are seeing that civilization break down, not only in Kuwait but also in Lithuania, Latvia, in the Baltic States, and in many other parts of the world, where the international recourse has not been, at this stage, to war.

All those arguments can be made and they can be made in a very direct way. But the fact of the matter is that the Canadian government has committed Canadian men and women to the battlefield. My sister-in-law may be called up. As a former air force doctor, who retired from active duty last year, she is still on the list of recall and may be called over. I know how frightened she is and how she dares not pick up the phone when it rings, in case she is called up. I know as we speak how powerless we are in this House to affect the nature of this war. There are thousands of Canadian families who are looking to us, as members of Parliament, for support for their loved ones.

How abhorrent war is, how much I have opposed this government's and, indeed, the American government's early use of force when, in fact, the avenue of sanctions

had not been exhausted. I cannot in good conscience turn my back on the Canadian men and women who have been sent over there to represent our country in a conflict that could have unlimited and continuing implications.

While government members may probably experience the same doubts, fears and forebodings that we feel on this issue, it seems to me that this particular resolution at this stage is redundant. Indeed, under the circumstances, perhaps the wisest course of action would be a withdrawal of this resolution I agree that we cannot send a message to our women and men in the Armed Forces that in any way equivocates our support for their actions.

Whatever we as individual members and indeed as parliamentarians thought about the reasons—some legitimate, some illegitimate—that conceived this call to war at this stage we must send a message of full and unequivocal support to those women and men whose lives are at risk; to those families; children the age of my daughter, watching their mothers and fathers go off to war; and also to those children on all sides of the conflict who will undoubtedly lose their lives as a result of this war.

I cannot give any lecture on the military nature of what our actions should be from this point forward. I am no military expert. Perhaps one of the greatest feelings that we have felt in this Parliament is a sense of powerlessness. International events are unfolding so quickly that we in this chamber or in the other place really have virtually no influence on the agenda that may unfold.

We huddled around our television sets last night as the retaliatory bombs came forward and we saw the fear ingrained in the eyes of that CNN reporter in Saudi Arabia who feared the possibility of a nerve gas attack. We saw the fear gripping a nation, the nation of Israel which has used, I believe, calm reasoning in deciding not to retaliate. I am not sure that under the circumstances I would have been as calm and as reasoned.

But there are ways that we in our own way can influence this agenda. I think it is important in the context of the House of Commons that we continue to press the government with its allies to try and find a peaceful solution. We must press on the issue—as I did this morning—that not only are there Israeli children who could very likely be killed in this conflict, but there are Palestinian children in the West Bank, in the Gaza. There are Iranian children; Iraqi children and Kuwaiti children. Perhaps in an as non-partisan way as we are able, we can continue to keep the government agenda and an agenda for strength through peace.

In the longer term, Mr. Speaker, our objectives have to be to re-examine the notion of civilization in the context of the new world order because as the bombs drop—and so they will on Iraq—we are seeing not only destruction of Iraqi installations, but also the destruction of one of the world's most ancient civilizations.

• (1510)

The very notion of statehood when in the Middle Ages the people agreed to the state of serfdom, they did so because their lords were to provide protection. The very notion of civilization and statehood has been developed so that we could, in fact, protect ourselves.

[*Translation*]

But in the national context, Mr. Speaker, we were able to do that, if we look at Europe, for instance. Until 1945, Europe had always been at war, 2000 years of war. But after 1945, after experiencing the horrors of war, as they were experienced in Japan, from that moment onwarde they realized that a civilization's real progress is not predicated on war but on peace. And that may be why, Mr. Speaker, we are seeing a new order in Germany, because they realize the Berlin wall was useless.

[*English*]

I think it is about time that, in the over-all context we examine what we mean by "new world order". Why is it that in national and individual contexts we have been able to develop for ourselves, by which people can solve problems in a legitimate, non-aggressive way, that very formula that has escaped us once again in the international arena?

The First World War was supposed to be the war to end all wars. Yet, within a very few short decades we moved into another war.

[*Translation*]

Mr. Speaker, who would have thought that we, in Canada's 34th Parliament, would be here to vote on war? I could never have imagined that. Who would have thought that my three year old daughter, when I was feeling really down and disappointed yesterday, would say: Mom, is the war making you so sad? She is not yet four, Mr. Speaker. But what can we give our children?

[*English*]

In the long term, we have to look for new solutions of diplomacy and economic sanctions that justly recognize that the problem of the Middle East is not going to be solved merely by eliminating Saddam Hussein.

There will be other Saddam Husseins. With the coalition as fragile as it is, if it splits apart, the potential for international disorder is even greater as a result of actions that have been taken in the context of the United Nations.

How do we look to this new world order?

I would like to speak for a moment to what I perceive to be, not only in this House but across the country, the so-called gender gap of war. It has never been my intention as a person in politics who happens to be a woman to suggest that, as women or men, we have the divine right to see the world differently.

I would suggest, Mr. Speaker, that if you discussed with the women members on all sides of this House you would find, as you would if you spoke with women across this country, that there is a radically different way with which we approach this issue of war.

I do not think a woman leader would claim that we were going to go in and "kick ass". I think that is the kind of terminology that belies a misunderstanding of the need to exercise all avenues of diplomacy before moving to war. In that context, I truly believe that women and men who are out there on the battlefield and also those here in Canada must begin to share more our collective wisdom and feelings.

I think you will see, Mr. Speaker, over the course of this debate that women in this House have risen perhaps more emotionally than many of the men.

Yesterday we heard the hon. member for Mount Royal and the hon. member for Saanich—Gulf Islands speaking with eloquence and from the heart, but in a way that brought a particularly individual perspective to the issue. I happen to believe that for all the emotions we share, for all the feelings we have and for all the reasons that we have to be together on this one, it is so critical that in the arena of war we take a step back and reflect upon the real meaning of war. Some will criticize me for this, but I would like to think that perhaps the nurturing and creation of life which is unique to womanhood has given us a perspective which makes us much less likely to send our sons and daughters to war.

[*Translation*]

I say that, Mr. Speaker, not because I think the feminine perspective is better than the male perspective. I say that because of the way women have been socialized, with their ability to create life, they are far less inclined to take a life.

I think that in the new world order, whatever the outcome of this war—and it is expected to be short with as little loss of life as possible—we must learn from this perspective. We must learn from this ability to create life that a new order, a new civilization cannot call itself civilized if killings and wars are the way we solve our problems.

Mr. Speaker, that is the duty of this Parliament, because obviously—a few members in this House are not going to affect the course of events taking place in the Middle East and the Persian Gulf.

Mr. Speaker, if we as parliamentarians, if Canada and the rest of the world want to recreate some of the hope we had at the end of the Cold War in 1990, we should have chosen new instruments to improve our ability to settle our international problems, whatever they may be.

Mr. Speaker, that is why, although I hate war, as I hate the fact that innocent people will be killed on all sides, I believe that despite the fact that I deplore this government's decision to involve us in this war, we are in it, nevertheless.

We must be prepared to give our full support to our men and women who are over there, and who are working for us all.

But at the same time, Mr. Speaker, in this House we must focus on the most important question of all which is the creation of a new order that shares the responsibilities, aspirations and hopes of all citizens of this world.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have probably heard more speeches from that hon. member than any other member in this House. I say that because of course I think most members will know that I have known the hon. member probably longer than any other of our colleagues here. I have to tell her that whether she realizes it or not, she has probably given the best speech she ever has given. I think that the tone of the House listening to her is a testimony to that. The House, as all members will know, but *Hansard* does not record, was dead silent listening to the member's remarks, and with good reason.

• (1520)

I want to tell her as well that when she spoke of the powerlessness that we feel as members, that if her discourse today is rewarded, as it should, that it should have an influence on members of this House in terms of what their position is on this issue. I say that from the bottom of my heart.

I want to raise with her this whole business of the powerlessness that we feel as legislators on this issue. It is one that I share, and I raised it in my speech yesterday. We are debating a motion which basically asks us if we are in favour of United Nations' motions which have already been placed into effect and have already been caused to happen; in other words, the motion is redundant. Even if it were not redundant, the motion was structured in such a way and presented at such a time that if you voted for it, you were voting in fact for war and if you voted against it, you were voting against the UN.

I find it deplorable that this issue, as gut-wrenching as it is, was presented to this Parliament in that way. Instead, we should have been presented a motion that asked us point blank, before the hostilities began: Do we or do we not, as a country, want to participate in those hostilities when they do begin and if they do begin? I would have still voted no to the proposition. But I think I had a right to hear the proper question, as opposed to the one that we did hear.

Second, now that the hostilities have begun, I do believe that what we should be asking, notwithstanding the fact that I disagree with what has been done, is whether or not we support our forces which have already gone over there, not whether or not we should be voting on a motion which is redundant and which was wrong even before it was redundant.

Ms. Copps: Mr. Speaker, I will take the member's compliments as intended. It is true that the member and I have spent a lot of years together and we have fought a lot of wars, but none of them have been of the nature of this war. They have all been political wars.

I would have to say that notwithstanding the member's comments and notwithstanding the nature of the resolution when it was first presented, I think the responsibility is upon all of us right now to put our political battles behind us, to cease and desist from the natural temptation to score political points on this particular issue. I think in that light it is important that this resolution be withdrawn because I think it is a redundant resolution which, whatever the vote, is going to send potentially the wrong signal to our armed forces.

In the light of the delicate nature of the situation right now, I think we would be far better off to speak to a resolution upon which we could all unanimously agree to give our full 100 per cent support to those Canadian women and men who have been asked by their country to serve in our interest in the Persian Gulf. That is why I hope that this resolution will be withdrawn and we will be able to bring forward a resolution that will meet the test of unanimity of this House which is obviously going to be very crucial for the morale of those soldiers who are over there fighting on their behalf.

[*Translation*]

Mr. J.-Pierre Hogue (Outremont): Mr. Speaker, I thank and commend our colleague from Hamilton East. I would like to make a comment and ask her a question, if I may.

The member for Hamilton East said that, in war, there are no winners and no losers. I suggest, referring back to what is being taught in our administration schools, you are either in a win-win situation or in a win-loose situation, and in the latter case, there are always loosers. Unless both sides win, they both end up loosing. I thought I had heard the hon. member for Hamilton East say that there were no winners and no loosers. She may wish to take this opportunity to make a correction.

My second comment, which is also a question, deals more directly with her position on the issue. We know where she stands as a woman. It is indeed pretty unusual—and she mentioned the risk of giving rise to criticism—to talk about the value, and more particularly about the fundamental difference between male and female. So that everything is clear, I wish she would use the time she has left to reaffirm the fact that recognizing individual differences does much more for personal growth as well as that of nations than playing on similarities and that relying too heavily on the concept of similarity involves a notion of levelling the base. So, by recognizing individual differences, we do not necessarily address what must be something else than levelling the base.

The Acting Speaker (Mr. DeBlois): The hon. member for Hamilton East has one minute and a half to answer.

Ms. Copps: Briefly, Mr. Speaker, the hon. member was quite right when he said that there is an exception to every rule. For instance, when comparing men's and women's different attitudes, a colleague mentioned Mrs. Thatcher. It is clear that to a certain extent, Mrs. Thatcher was not typical of the sensitive individuals I was referring to earlier. Having said that, I suggest it is important to recognize our differences. I have always insisted on the differences between Francophones and Anglophones, men and women.

As far as winners and losers are concerned, it is true that we may win in the short-term if Saddam Hussein, confronted with the forces of the United States and their allies should withdraw. It would be a short-term victory. But what about the long term? I mentioned my grandfather because I saw how his life changed following World War I. We had come out the winners, but my grandfather remained a loser. He could never find a job because he was unable to work, as a result of the injuries he had received in the service of his country. Mr. Speaker, there were also losers on both sides following the Vietnam War: traumatized Vietnam veterans, broken families, dead children. In such a context, in the long run, there are neither losers nor winners in a war, just a forum from which to start a new war. That is what I am concerned about: If we succeed in destabilizing the Middle East, there might be winners in the short run, but in the long run, what will happen to that international forum which was already shaky before Saddam Hussein started this war?

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for Outremont has the floor for the next ten minutes.

Mr. J.-Pierre Hogue (Outremont): If I may, Mr. Speaker, I should like to use some of my time to reflect on the comments made by the hon. member for Hamilton East. Of course, there is never a winner and a loser in a win-win situation where the adversaries must either both win or both loose.

• (1530)

Mr. Speaker, I did not think I would have to take the floor. My position was known. I had other means to keep in touch with the people of Outremont.

Recent events force me to speak. I want to address my remarks to the Jewish community of Outremont, Quebec and Canada to offer them my sympathy and my prayers.

Hon. members know that the riding I have the honour to represent is home to people from various ancestries and that multiculturalism is thriving in that small microcosm. But as I said, I think it is important and necessary for me to rise and offer these people my sympathy and my prayers. Very humbly as well, Mr. Speaker, I would extend my sympathy to the people of Israel.

If I may I should like to comment on the dynamism of the situation we are experiencing. From the onset I felt—and I still feel—that there was no hesitation and that the position had to be clear. The Prime Minister made this statement in the House on January 16, and I quote:

> The Time has regrettably come therefore to act in the interests of preserving world order and in safeguarding the effectiveness of the United Nations. A failure by the world community to act would have undermined the United Nations, turned a blind eye to naked aggression, condoned violations of international law and encouraged other potential aggressors to defy world opinion in the pursuit of their own criminal ambitions.

Allow me to quote him:

[*English*]

> "The time has regrettably come therefore to act in the interests of preserving world order and in safeguarding the effectiveness of the United Nations. A failure by the world community to act would have undermined the United Nations, turned a blind eye to naked aggression, condoned violations of international law and encourage, other potential aggressors to defy world opinion in the pursuit of their

own primitive ambitions. If Canada had stood aside, we would have betrayed our own national interests, repudiated our own responsibilities and dishonoured our own traditions."

[*Translation*]

Mr. Speaker, this is why I thought there would be no need for me to rise and that my position was known as a stong supporter of the motion now before the House.

[*English*]

Entering a war is never easy, at least not for Canadians. We are by nature a passive people and we have a long history of promoting the peaceful settlement of disputes, both at home and abroad. Why do we value stability? Why are we recognized internationally as people who cherish peace? It is partly due, in good part, to our multicultural landscape. Canada was founded by immigrants and new immigrants continued to inject new ideas and new vitality into our society. But we learned long ago that we had to be sensitive to each other's needs in order that Canadians of different origins could live peacefully and side by side. We had to be willing to listen and talk, negotiate and compromise, and as a result we have become "experts" in resolving conflicts with a minimum of violence.

We have another principle which has allowed us to be seen as a peace-loving nation. It is our unfailing support for the United Nations, an organization that stands for peace. Canadians have to create a United Nations as we know and we have continued to support it financially, materially and militarily at a level which far exceeds our relative strength in the world.

Although the United Nations is a peace organization, it recognizes that sometimes force must be used against the most blatant acts of aggression. This is perhaps not easy for many of us to accept since the cold war prevented the UN from exercising its peace and security function for so long. But the principle of collective security against aggression is at the core of the United Nations charter. To deny this fact is to reject the very *raison d'être* of the UN and to accept the law of the jungle in international affairs.

[*Translation*]

Mr. Speaker, life is not what it used to be. Everybody says so, or at least that is what we hear practically everywhere we go.

Older members of society like to talk about the good old days, when everything was so much better. According to them, there were no wars, no murders, no thieves. Not exactly, but there was a lot less.

In any case, the facts say otherwise. It seems this is not true at all. There have always been wars, there have always been murders, there have always been thefts and storms and people dying.

We have every reason to believe that today, life is more satisfying and more enriching than it has been for many centuries.

The leisure society appeared a few decades ago, because we had attained a more acceptable standard of living. If the leisure society could have appeared earlier, it would have done so, and earlier generations would have benefited.

As this leisure society evolved, society became more compassionate as our social conscience became more sophisticated.

Mr. Speaker, in a family there are all kinds of personalities. Some are more aggressive, others are more passive, while others are more creative.

Many families, especially Quebec families which tended to be large, had what was commonly referred to as a black sheep. This was a child that often just did what it felt like doing, unlike its brothers and sisters.

Mr. Speaker, I see that my time is running out, and I want to thank you for letting me know. I will have to conclude. What I meant is that the child that was considered the black sheep would get special attention from the other children. Often, one of the smarter siblings was able to discipline this child.

• (1540)

I use this particular example because the present situation is actually just that: one of the children of our international community has asked the other children of the family to take care of what is considered to be a black sheep.

And since you asked me to conclude, Mr. Speaker, I repeat that I support this motion without any hesitation, and I do so with my knowledge of personal and group psychology and with the honesty I also found among my fellow members.

The Acting Speaker (Mr. DeBlois): Five minutes for questions and comments. The hon. member for Saint-Denis.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I appreciated the last words said by the hon. member for Outremont. He said: "I give my full and entire support and I do so knowingly as a psychologist and expert on human issues".

As you see, I am quietly preparing part of the speech I will probably make, I am not sure. But that is the main aspect I intend to discuss in my speech.

As an expert on human issues—and I agree—would Dr. Hogue be so kind as to tell me, while these military operations are going on against the unacceptable invasion of Kuwait by Saddam Hussein, at a time when a number of nations have decided to start a military operation, and I will not comment on that in my question to the hon. member—

However, doesn't he think it is time to send some messages as soon as this conflict is resolved militarily, it is obvious that the people who are now trying to get Saddam Hussein to surrender or withdraw will win, I think that is pretty clear. Isn't it time for Canadian to send a message? To, all those people who are in desperate straits in that part of the world? I am thinking of our friends in Jordan, because I remember what our Prime Minister said when His Majesty King Hussein came here to address the House.

I remember what was said by the right hon. Prime Minister of Canada when President Herzog of Israel came and also addressed the House on that very spot.

There are other questions we have to start thinking about. And we will have to do that before these people become so desperate they get involved in disastrous schemes—I am thinking of those 1.5 million Jordanians of Palestinian origin, 60 or 70 per cent of the population of Jordan, where hatred now looms so large that every solution is doomed. And the same applies to the people in the northwest territories and Gaza, who say there is no hope left.

Would it not be time for Canada, while the government does its thing, and I will not pass judgment on that—to send messages that Canada is determined to get this over with as soon as possible but we then have to take care of all these loose ends?

The hon. member who is an expert on human psychology is aware that these loose ends have been around for quite some time in the Middle East.

The Acting Speaker (M. DeBlois): The hon. member for Outremont has two minutes.

Mr. Hogue: I want to thank the hon. member for Saint-Denis, in the riding next door to mine, for a question that is intriguing but difficult to answer.

I will try to marshall all the intellectual honesty I possess, and of course this includes my deeper feelings on the subject.

Generally speaking, the answer is yes. To do so, however, we will all have to do more than just tolerate each other. We have to accept each other, and I am sure you realize I have no illusions about this. The notion of belonging is fundamental. At the same time, there is also the notion of trust which is just as fundamental. No one in this House, starting with yourself, would believe that the Prime Minister or the Minister of External Affairs take a position because they feel like it. They do so because they have what they feel is the best possible reading on the matter, and of course I don't have to speak on their behalf. The best possible reading required that the decision be made but, on the other hand, perhaps we should go through a specific exercise before getting that far, and the exercise that we are seeing here in the House is not one that stresses our weakness.

I feel it shows our strength and our ability to take a position and at the same time not only address the people of Israel but also the Palestinians and peoples all over the world to tell them that the Parliament of Canada, on whatever side we happen to be in this Chamber, is a responsible body and that at the same time we try to be fully aware that there is a fine line between peace and war—

The Acting Speaker (M. DeBlois): Resuming debate. The hon. member for Drummond.

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, by invading Kuwait on August 2, Iraq provoked the worst international crisis in recent years, in a region that for a long time has been know as particularly explosive, with profound enmities exacerbated by poverty and economic disparity, muffled hostility between religions and countries and the resulting extremism and blind hatred. This is a region scarred by eight years of war between Iran and Iraq, an unending civil war in Lebanon, repeated con-

frontations between Arabs and Israelis and violent disputes between Israelis and Palestinians.

The act of aggression committed by Iraq was a direct challenge to the international community, at a time when the end of the old adversarial relationship between the superpowers had opened the way to legal recourse, dialogue and co-operation to deal with international problems and safeguard peace and security.

We are going through a time of extraordinary change in the world. In eastern Europe, people are throwing out communist ideology and embracing the freedom and responsibility of democracy and a free market economy. In Western Europe, the process of political and economic integration is accelerating. In 1991, 340 million Europeans will finally form a single market.

The invasion and annexation of Kuwait by Iraq has destabilized the world order, disrupted development projects in the Third World, upset the transition towards a market economy in central and eastern Europe and will continue to affect political and economic systems throughout the world.

Since the beginning of the crisis, the international community has spoken clearly, with an unprecedented consensus. Now that the cold war is over, the United Nations organization could build a lasting international order. It is therefore very important, Mr. Speaker, to remind Canadians of the fundamental reasons behind the government's position in the Persian Gulf crisis and its involvement in the war.

First of all, Mr. Speaker, I would like to recall briefly the events that have taken place since August 2. On that day, the Iraqi army invaded Kuwait with a major and impressive military force consisting of more than 150,000 men, 1,200 tanks and 1,000 armoured cars, shocking the Arab world as well as the rest of the international community, which immediately condemned this invasion.

• (1550)

This invasion, which came without provocation, went well beyond any resistance that Kuwait could have offered. The Iraqi forces quickly took over the capital, plundering the country's resources without the slightest restraint and persecuting its inhabitants. After six days of unequal and bloody combat, Saddam Hussein declared that Kuwait had been annexed to Iraq.

The UN Security Council, of which Canada is a member, demanded the immediate withdrawal of Iraqi troops. An economic, financial and military embargo was also ordered in the Persian Gulf against Iraq and Kuwait, an embargo observed by Canada which agreed to become part of the international strike force.

As I said earlier, the reaction of the international community was fast and clear. The UN Security Council adopted 12 resolutions to put an end to the unwarranted occupation of Kuwait by Iraq.

More than 30 countries took part in this multinational action, including the United States, the United Kingdom, France, Germany, Austria, Saudi Arabia, Egypt, Syria, Pakistan, Bangladesh and the U.S.S.R.

The action also included African countries like Niger and Senegal, and new democracies in Central Europe like Czechoslovakia, Bulgaria and Poland.

After the period of grace granted Saddam Hussein by the UN Security Council, there was no indication, unfortunately, that Saddam Hussein was prepared to withdraw his troops from Kuwait. In fact, his position seemed to harden from day to day, supported by the Iraqi Parliament.

A meeting between Secretary of State James Baker and Iraqi Minister of Foreign Affairs Tariq Aziz, as well as conciliation efforts attempted twice by UN Secretary General Mr. Perez de Cuellar, failed to advance the cause of peace and a diplomatic solution to the problem. Armed conflict became a possibility.

Mr. Speaker, we must review the reasons that caused the Government of Canada to provide military aid. We must not forget that our military participation is consequent on a series of resolutions adopted by the vast majority of members of the UN Security Council.

Our membership in this organization is above all an act of faith in all the ways in which we can possibly guarantee peace in this world. Many people who condemn the use of force included in resolution 678 fail to understand that the UN charter contains not only statements of principle in favour of peace but also provisions respecting to collective security.

Drafted following the atrocities of World War II, the Charter provides for the measures needed to enforce its provisions, should these be ignored by a given nation.

Everyone, including myself, hopes that international conflicts are resolved peacefully. All Canadians share that hope, I am sure.

However, when a situation may worsen to the point of being the threat to international security, and when all persuasive arguments seem to have failed, what then?

Wait until an entire nation is massacred and decimated? Stand by while human rights and the rights of a nation are violated unrestrainedly, without any reactions from the rest of the world? That is the crux of the problem.

What made this situation intolerable for the international community, Mr. Speaker?

We knew that Iraq had upgraded its military forces and that it continued to reinforce its facilities in Kuwait.

Mr. Speaker, Canada must fully support the position of the UN. If we were to dissociate ourselves in any way from this agency whose first mission is universal peace it would be tantamount to suspending our belief in humanity.

If at a given time, a group of human beings no longer believes in understanding, tolerance and trust among nations, should we in the name of a precarious peace, let them go ahead and destroy their neighbours?

It is regrettable that the Persian Gulf crisis led to war rather than a peaceful settlement. There is no such thing as a good war. War is humanity's least noble invention. We all want to avoid it. Saddam Hussein remained deaf to the pleas for peace until the last minute and, by refusing to withdraw from Kuwait pursuant to the UN ultimatum, he opened the door to war. The main thing to remember is that if we want peace we must uphold the principles enshrined in the United Nations charter. We must be prepared to defend what we perceive as being the good cause. By acting otherwise we would be telling Saddam Hussein and other potential aggressors that the UN is unable to respond efficiently to aggression.

On January 16, unfortunately, the time had come to take the measures required to restore world order and maintain the efficiency of the United Nations.

In the United Nations charter, the peoples declare their solemn resolve to live in peace and unite their strengths to maintain international peace and security.

Under the terms of the charter the Security Council is primarily responsible for the maintenance of international peace and security, and for the peaceful settlement of conflicts.

Since their inception the United Nations has often been called upon to prevent a dangerous situation from degenerating into real war, to convince adversaries to use the conference table rather than resort to arms, and facilitate the return to peace, or at least end the fighting when hostilities do break out.

Despite failures and setbacks the UN remains ever more prepared to restore and maintain peace in the world.

Finally, Mr. Speaker, I hope the war will be short so that our fellow citizens who are defending freedom and the cause of enduring peace will soon return home.

The Acting Speaker (Mr. DeBlois): Questions and comments, five minutes. Resuming debate. The hon. member for Scarborough—Agincourt.

[*English*]

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I rise on a very important motion put forward by the government. Basically, we are debating whether we should go to war or not go to war. It is redundant. We already engaged in war two or three nights ago when my colleague from Dartmouth came rushing in to let the House know that we had engaged in war.

Calling the House back to debate it is redundant, because we have already engaged in war. However, I want to put on record not only some of my feelings and thoughts, but also those of my constituents.

We called over 2,000 constituents over the last weekend and Monday and asked them whether they felt Canada should participate in the gulf situation in an offensive role or whether the sanctions should be given more time. The results of this poll were overwhelmingly that more than 70 per cent of my constituents were opposed to an offensive role being played by the Canadian forces. I would like to read for the record some of the comments of my constituents.

Mr. Goldthorpe said, "I hate war and senseless killing of our young people. It is just terrible, and I think they should try and negotiate peace".

Mr. Jaffray said: "My understanding was that the Canadian troops were only supposed to be a defensive force and not supposed to take any part in the attacking of Hussein. I would rather see the Canadian troops operating under the flag of the United Nations".

Mrs. Beath said: "Canada's stand should be to support the United Nations' position of sanctions, but should take the initiative on the Palestinian issue and call for the United Nations to continue with sanctions until such a time as they have proven not to be working".

Mrs. Akers said: "I think sanctions should be given more time. You cannot back someone into a corner; it has got to stop. There cannot be a war; it is going to affect us over here. Please, no war! The sanctions need more time".

Mrs. Bloemink said: "I don't think this war is a thing that is desirable. I think we have been led into it. Our boys should not be sacrificed to greed and profit, which is what the whole thing is about. It's a hypocritical situation". Mr. Guildys states:

> The economic blockade which the Government of Canada and the rest of the world has been pursuing in the Middle East, is probably the right way to go.
>
> As far as war is concerned, I have always been against war because innocent lives will be threatened.

I listened very carefully to what my constituents were telling me. I met with my constituents and I listened very carefully to what the Canadian people are saying. The constituents of Scarborough—Agincourt could be wrong. I could be wrong. However, they are not in favour of war.

• (1600)

If the Canadian people are saying no to war, how can we as parliamentarians say to the Canadian people: "We are deaf and we are not going to hear you. We are not going to pay attention to you. We are going to put you in a situation where we are going to engage in war". If we look at the history of how the Canadians forces were sent there, if we look at the events that led to our young men and women being engaged in war, we would see that at no time were we clear with the Canadian public. We would see that at no time did we come forward and say, "Canadian public, this is what we are going to do".

Iraq invaded Kuwait on August 2. The House was not recalled immediately in order to debate the very important question: Should we send Canadian troops? Should we commit Canadian military equipment into the gulf? Should we commit young men and women of our Canadian forces into the theatre of war?

The Prime Minister made the decision. The Minister of National Defence went off to Halifax to see the three ships go out. There was a big hoopla and a big hurrah, and they thought, "Maybe we will go up in the polls for taking the same stand as Maggie Thatcher in the Falklands". Then the House came back.

Of course, this House was led to believe that we are there enforcing sanctions under the United Nations resolution. We can clearly see how even that great body, the United Nations Security Council, was arm-twisted and taken out of context and forced so that the vote happened when it did. It is very important to know when the vote did occur. The vote occurred in the United Nations the last week that the United States was the chairperson. Everybody there had an interest again. The Russians voted with the United States.

Let us examine for a minute why they voted with the United States for the deadline in order for war to take place. Because right now the Russians are in chaos in their country and the United States has promised them food and aid. The Chinese abstained from the vote. Why did they abstain from the vote? It is important to note that. They wanted to be on the side of right for a change, and not the wrong side as they were in 1989 when the tanks rolled in Tiananmen Square. All of the other countries supported the U.S. because they had a lot to gain. It is my opinion that sanctions, if they had been given a little bit more time, would have worked.

We must first of all take a hard look at why this debate is Necessary. Iraq under the leadership of a madman, Saddam Hussein, invaded its southern neighbour Kuwait. While this is a major concern to the world community, it must be taken in the context of recent world history. There have been instances of a larger country taking over a smaller country, some of which attracted the attention of the United Nations and resulted in punitive action to the aggressor country.

One example of that was Cyprus, in 1974 on an August morning.

Millions and millions of people all over the world were watching an aggressor, not less powerful than Saddam Hussein, not less crazy than Saddam Hussein, and not less militarily viable than Saddam Hussein, invade a smaller country, a country where three nations were supposed to be protectors; Turkey, Greece and England.

Yet one of those countries that was to be the protector invaded the Island of Cyprus. What did the Cypriots have to fight off the Turks? They had an army which was made up of a minimum number of forces, guns and hand grenades that dated back to World War II. They had no oilfields. They had no money. Because they had no oilfields and no money, they had no friends.

Yet, if we were to parallel the two countries, the population of Kuwait is about the same. They occupy about the same place in the Middle East. They have about the same temperature. There is one difference between the two countries. One country is rich in oilfields. The other country is not.

Yet the rest of the world, although it condemned the occupation of Cyprus, and although the defence minister said that valiant efforts were put forward by Canadian troops acting as peacekeeping forces, we did not see the Americans send 450,000 men over there. We did not see the French come to their aid. We did not see the British react. We did not see anybody take any action. We did not see Canada send three ships and 2,000 men. Why not? I go back to my original calculation and conclusion. There was no oil. Maybe it served their particular interest to have that island divided. I question why the double standard.

There are reasons we should have given sanctions more time to work. We must first of all take a hard look at why the sanctions would have worked. History shows us that if you put enough pressure on somebody, he will react one way or another. Maybe what happened to Benito Mussolini, another madman in World War II will happen to Saddam Hussein and maybe the world will be at peace. The Italian dictator told his good friend—another dictator, Adolf Hitler—that if oil had been included in the economic sanctions imposed by the League of Nations in 1935–36, he would have been forced to remove his troops from occupying Ethiopia.

There have been other instances, Madam Speaker, when sanctions have been applied with extreme effectiveness. I would like to explore a few for the members of this House who say that sanctions would have not worked.

American sanctions applied in the early 1980s were instrumental in forcing the Polish government to free political prisoners. The Indians' partial blockade of Nepal in 1989 to 1990 caused widespread disruption in that country which resulted in a change of government that was sympathetic to India.

When I was growing up, I remember a little country called Biafra. In the late 1960s the world watched with great interest sanctions applied by Nigeria which had a devastating effect on the economy and the social infrastructure of Biafra. If we are to learn anything from the past in regard to sanctions, it is that for them to be effective, they must be applied as strongly as possible and must be given enough time for the effects of them to be felt.

I noticed the other day that the Secretary of State for External Affairs said our sanctions are not working. Things were getting through. When he was challenged, he could not back that up.

The first part of this has, without a doubt, been achieved. The world community at large had acted as one of the most effective trade blockades ever seen. The only part missing in these sanctions was time. History has shown that sanctions of a few months are not effective, but given a reasonable amount of time would likely have resulted in the crippling of Iraq. It is indeed unfortunate that the Americans did not have the will to give sanctions a chance.

• (1610)

There is an old song sung by the Beatles of the 1960s that says: Give peace a chance. Had we given sanctions a chance to work, maybe we would not have seen what happened. Maybe there would have been no casualties. Maybe the madman would have moved back. As we speak today, maybe there would not have been Scud missiles fired into a third neutral country that has nothing to do with this war. However, Saddam Hussein

wants to drag it into this in order to split the United Nations coalition under the leadership of the United States.

Had we waited another month or two, the world would not have stopped. Had we waited until February 15 or March 15 before aggression, nothing would have changed.

The clock of Armageddon would have been at 11.55 even today. As we speak, that clock is ticking closer and closer to 12 o'clock.

Other members in this House have said that they have seen war. In my background there were people who were under occupation for almost 400 years. In the country I came from, before I made Canada my home, there were five years of Nazi occupation. In World War I my grandfather was wounded while fighting. In World War II, I lost two uncles while fighting as partisans. So I am not new to family losses. I am not new to watching people fight for their country. If the call came to defend our country, I am sure every member of the House would do the honourable thing and enlist. So let us not detract by saying that giving sanctions more time to work means we are not supporting our forces in the gulf.

People of the government are trying to get the message across to the Canadian people that we on this side of the House are not supportive of our men and women in the gulf. I say that they are wrong. I mention women because in conventional warfare it is the first time we have seen pictures in newspapers and magazines, on the front and back pages, of a man carrying a gun, with a woman beside him. These pictures are not something set up in order to confuse or please the folks back home. They are real pictures.

I am the father of four daughters. The thought that we might have to go to war and that possibly some time in the future my daughters might be in the front lines is certainly something that sends chills up and down my spine.

I am an advocate of peace and I believe that peace should be given a chance. I believe we have to talk about peace and when you exhaust all possible avenues and when sanctions have been given a real chance to work, then take up arms.

Speaking of taking up arms, it is interesting to note from history, as we sit here on a Friday afternoon, well past our sitting session, talking about peace and war, I would like to talk a little more about one part of the world that has been occupied for the past 16 years. Some of my colleagues might say that I am very partial to that part of the world. Maybe it is because of my background. It is because of our backgrounds that we grow and are proud to contribute to this great country of ours that is called Canada. For the past 25 years, and I want to put this on the record, Canada has acted in Cyprus by means of a peacekeeping force under the United Nations flag. We have lost 29 men and it is costing the Canadian economy about $30 million a year. I questioned the Minister of National Defence the other day about some references in the *The Toronto Star*. The Conservative caucus leader, the hon. member for Ontario, was quoted as saying that he was going to bring up to national caucus that they might withdraw the forces from Cyprus in order to cut costs.

When I asked the Minister of National Defence if he would withdraw the forces from Cyprus, he danced all around the issue and he did not clearly say no. I want, also for the record, to state in this House that when the United Nations, on December 15, 1990, voted as to whether peacekeeping forces should be kept on Cyprus, there was one country that abstained. There was one country which has been there for 26 years that decided, under this government, to say, "We don't give a damn about the island anymore". Madam Speaker, that country, I am ashamed to say, was Canada. That country, I am ashamed to say, under the Conservative government, abstained from sending forces into Cyprus. Why? Because the government believes we will save 30 million measly dollars. I suggest to members across the way that they visit Cyprus because while we are talking about walls coming down, like the Berlin wall, there is one in Cyprus which is called the green line. That is still there; it has not fallen down. That still exists and yet Canada has not taken any initiative or made any plans, except the plans in 1978 for peace negotiation on the island.

So what are we going to do? We are going to turn chicken, turn tail, and we are going to get out of Cyprus because it is not a win situation. It is costing us money. I see an hon. member across the way and I think that maybe he agrees with me. I suggest to members across the way that they visit the green line and see the last existing wall that divides two peoples and then come back to this House and stand like the Minister of

National Defence and say that we are going to pull our troops out. And where are we going to take them? That is a very important question. We are probably going to send them to the gulf. Why? Because there is oil there and because Bush got on the phone and said: "Send us your forces".

It is interesting to note, for the record, when the first strike was made. Out of the almost 30 countries of the multinational force, which were the countries that actually led the first strike? Let me put this on the record. They were the United States, Britain, the Saudis, Kuwait, and Canada.

I know that I only have a few minutes but I want to analyse this. The United States, why? Because it has interests in oil. The same thing applies to Britain. The Saudis were protecting themselves from aggression. In the case of Kuwait, it was because their country was overrun and Canada because we have a Prime Minister who does not know the words "foreign policy". We have a Prime Minister who does not know what Canadian foreign policy is. When the President of the United States picks up the phone, it is: "Yes, Sir, we will do it. Yes, Sir, we are going to send the 24 planes to the gulf. Yes, Sir, we are going to send our three ships".

• (1620)

You are going to say three ships and 24 planes make a hot lot of difference to the multinational force that is there. It is the aspect that we are there so the Americans do not raise the flag as in an American war. They say: "Oh, we had Canada with us".

Well, I would say it is about time we look at a foreign policy which is made in Canada. I say that it is time we look into other aggressions such as in Latvia, Lithuania, Sri Lanka, and throughout the world. Through the years of Mr. Pearson Canada was truly and honestly a United Nations peacekeeping force. Aggression, yes, when it is needed. Fighting, yes, when it is needed. But first and foremost sanctions must be given a chance to work. They have proven time and time again that they work. Therefore sanctions should come first and foremost before we pick up and push the button on the doomsday machine. That is what is happening. We are pushing the button.

We are not any better than Saddam Hussein. He is a madman who killed millions of children and women. He pillaged. One can say that we are killing. One can say that had we given time, maybe another two months, that would not have been done.

I am going to close by saying that I am supportive of our troops 100 per cent and I join with other members of this House from both sides in praying and wishing them the best so that they will rejoin their families. No–one can stand up and listen to the cries of a six–year old when he says: "My daddy might die".

Mr. Lee Clark (Brandon—Souris): Madam Speaker, if I understood the member correctly he indicated that Canadian forces were part of the first strike. In light of the fact that that is not my understanding, I would ask him if he could provide me with any supporting evidence he has.

Mr. Karygiannis: Madam Speaker, when war broke out the minister of state for defence was speaking and my colleague from Dartmouth came into the House and asked if the minister could explain the role the Canadian forces were engaged in at that time. She used a particular term "sweep and escort". Those were her words. Maybe "sweep and escort" is not the right meaning—I am not a military man—but from my reading of the newspaper I understand that they would escort or sweep in front of the bombers. They would be flying in protective cover. So if you are up and you are flying when the others are attacking what are you doing? I might have misunderstood, Madam Speaker, but when the Prime Minister came in and said that we were at war I clearly understood that.

Mr. Marcel Prud'homme (Saint–Denis): Madam Speaker, needless to say I am pleased that a new member of this House has raised the question of Cyprus.

I have raised that question for years and years, but I did understand that the world was such that Turkey, a great allied military power in NATO was our strongest wing in NATO against the Warsaw Pact. I understood that, even though I disagreed that because of that we should do nothing.

Now we have what we call a new international order where we ask everybody to respect the decision of the United Nations. And we see that our friend Turkey is with us today in this new adventure. I asked once, I asked twice, I begged privately: Are you now saying that there is a new international order whispering at least to the ears of the Turkish, saying "the time has now come to get out of Cyprus." I was in Cyprus, I know Cyprus as well as I know Lebanon. I call it honey on earth.

[*Translation*]

The honey of the world—Cyprus and Lebanon. But because they were denied help from the beginning the situation gets worse.

[*English*]

Cyprus has a population of 600,000 people with 200,000 refugees. Who cares about Cyprus? Who cared about Lebanon at the very beginning? Who cares about the Palestinians? I do not agree with the invasion of Iraq and Kuwait.—I do not support Iraq attacking Israel last night, destroying a few houses. It could have been a monstrosity. But do you see the same paranoia on CNN television when every day people in the West Bank and the Gaza Strip are being humiliated, deprived of school, university and college, deprived of water and deprived of freedom? Oh, we will solve it. Read the speech made by my Prime Minister to his Royal Highness King Hussein of Jordan when he spoke here. Read the speech of His Royal Highness begging us to understand. Read the speech of the President of Israel who spoke right there. I listened like a gentleman, as I should, to his speech. There were promises and more promises. There was no action during that time. People got desperate and more desperate. Hate is building. Who knows now if King Hussein, who we used to call our friend, will not be the next victim because of people who have no more hope.

I am asking that government and I am asking my colleague to make a comment. The time has not come to make war, but it is a fact of life so I have to support my Canadians soldiers. Do you think we are a bunch of kooks? We pray for our Canadian boys and girls who are there now. We are not going to deprive them of money or anything they need to come back healthy. I beg of my country, Canada, and at the same time send signals around the world that we will look after all these injustices that have been going on. Is it asking too much from a Canadian?

Mr. Karygiannis: Madam Speaker, I want to thank my colleague from Saint-Denis for giving me a chance to express maybe something that is called hatred, maybe something that members of this House have not been alluding to. Greece was under Ottoman occupation for 400 years, until 1821, when they rose and kicked the conqueror out. Since 1821 to this day, children in Greece are taught to hate the Turks. The children of Turkey are taught to hate the Greeks. I was part of that growing up. My children are also part of that and their children, because of their heritage, will also be part of that. This hatred gets passed on. The hatred in the Middle East gets passed on. With the children of Cyprus the same thing gets passed on. Let's stop discussing war and start discussing peace.

Some of my colleagues in the opposition are saying that war has started.

• (1630)

With the discussion we have here, we are the only Parliament in the world that is still discussing war or peace, or this or that.

I say to my colleagues that it is very important that we are here continuing this discussion even if it has to sit 24 hours.

If my colleague from B.C. disagrees with me, I say to him—

Mr. Barrett: I did not say anything.

Mr. Karygiannis: I am sorry if I misunderstood you.

It is important that we sit here and discuss the machinery that can be unleashed upon human beings. How many of you have seen people killed in war? Children?

I was in Cyprus, and I have seen the work that our Canadian forces can do. I know what they are capable of. I am proud of them. I say to you, Madam Speaker, that we should supporting our Canadian forces in peacekeeping roles, not in acts of aggression.

Acts of aggression must be stopped once and for all here, today.

Mr. Willie Littlechild (Wetaskiwin): Madam Speaker, thank you for the opportunity to address the motion by the Secretary of State for External Affairs and seconded by the Deputy Prime Minister.

Since the debate began, the circumstances have regrettably deteriorated to hostilities in the Middle East. I believed at the outset that this would be the most difficult decision I will make in this Chamber. It is more difficult than others because of the consequences of any war.

I cannot claim experience in war except as the son and nephew of a World War II veteran. As many considerations are involved in every decision by members of Parliament, I have tried to view this from numerous perspectives.

The motion is straight forward:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

I wish, first, to address the motion from an international perspective and not so much from a war analysis. As the world continues to undergo rapid change, including a move towards a more global community, I believe it is important to protect our only instrument capable of international order and peace: the United Nations.

As other colleagues in this Chamber have indicated, four to six years ago, the nations of the world formed an organization: the UN. The UN's primary purpose was to be the maintenance of international peace and security.

The charter would give the world the right and the capacity to deter aggression and to reverse it by force if necessary when it occurred. It was organized for the circumstances we are faced with today.

As the former Opposition Leader said: "This is the crucial test for the United Nations." The UN has adopted a total of 12 Security Council resolutions since Iraq attacked Kuwait on August 2. As a member of that Council, what does Canada now do in view of its disregard by Saddam Hussein?

As a founding member of the UN, does Canada now withdraw because the situation is becoming tense?

Second, I had planned to speak as well from a national perspective, because we all have to answer the question: What course is right for Canada and the cause of peace?

Having been in touch with various leaders in my constituency to debate and assist me in determining my position in response, I had to resolve this very personally. I have always said in other conflicts that I do not advocate violence and that I value life.

Some constituents have stated their opposition to the war. My 7 year–old daughter cried because of her own fears of war. These made it more painful for me to come to a conclusion on this motion.

Because I have been involved, although in a small way, with the United Nations, I had to reflect on my own personal beliefs. I recall the day, as a Canadian delegate to the General Assembly of the UN in New York when resolution 678 was being discussed.

It was then that the sudden chill and realization of the real potential of war was made upon me for the first time. Since then, I spent much time in thought, in agonizing about what was to be my position if the circumstances that face us today were to occur.

Throughout, one view did not change, and that is my position in support of the United Nations. As one who has been to both Geneva and New York at the UN on several occasions, I had come to believe that the UN could do very great things for human beings; things like the establishment, the confirmation, and the protection of rights of all peoples.

Now the question comes at a time when its very role is challenged by Saddam Hussein. Do I abandon support? Or do I reaffirm the support as the motion calls for in continuing support for its purpose.

Having considered arguments on both sides of this very difficult issue, there are still those all over the world who rely on the UN for the protection of their rights.

Madam Speaker, allow me to digress for a moment on another, but related, concern. What do we do now? What should we do for the future? What positive considerations had to be given for post–war initiatives? I humbly suggest two recommendations for consideration by this House. First, pass this motion at the earliest opportunity to reaffirm our support for the United Nations. Second, and as important, establish a peace mission immediately, perhaps either through UN Security Council meetings or through Middle East peace talks under UN observation.

I believe as many other colleagues have mentioned earlier, even a few minutes ago, that now is the time to address peace with every effort possible.

I believe also in the defence and construction of a durable structure of international order. I will be voting in favour of this motion because I support our troops. I support Canada, and I support the United Nations.

Madam Deputy Speaker: Questions or comments. The hon. member for Edmonton Southeast.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, the hon. member and I are from the same province. We both have training as lawyers, although I know that that is an unpopular profession. Next to a politician, perhaps the most unpopular.

I wonder, though, if the member has not very much oversimplified the matter. Is he, for example, aware of the article that was written by a highly respected economist, Mr. Gary C. Hufbauer, and co-authored by him, pointing out in part that if ever there was a place where sanctions would be likely to work, for geographic and reasons, Iraq is it, given the fact that half of Iraq's GNP is involved with oil. Had we given sanctions another few months, according to the article, by the summer or fall there was an excellent probability that Mr. Hussein would have left Kuwait.

While he is answering that, perhaps he could also deal with my second point which is that it is estimated that half of the people who are going to die in this war are going to be Iraqi children. Because of the war with Iran, Iraq's population consists of about 45 per cent children under the age of 15.

I wonder if he might also tell us whether he thinks it is really good for the United Nations, when it could have used this model of isolating and embargoing with truly effective sanctions, for it now to become part of the *Pax Americana* which seems to be evolving because of the problems in the Soviet Union. I realize those are three questions, but maybe he would deal with any one he cares to.

• (1640)

Mr. Littlechild: Madam Speaker, I would like to thank my colleague for the very difficult question.

First of all, I am not thoroughly familiar with the article he mentioned, but the information I am aware of is by the allied forces and the United Nations on whether or not sanctions in this case are working. It is my understanding that they were working on the wrong people. Sanctions in this case, were working against the poor people and the children in Iraq, but not against the military. I think the collective information and the collective decision of allied members of the United Nations certainly must be better than the information I have. It was their decision that sanctions were not working and I support that.

With respect to the number of Iraqi children who will die, that is one of the reasons I said in my presentation that it was a difficult decision for me to make. In my opinion, no war is good because of the impact on innocent lives.

In terms of other situations around the world, I can only call on this House to consider any kind of peaceful resolution or mechanism to deal with existing conflicts anywhere in the world with respect to children. Any contemplated use of economic sanctions should not be necessary to begin with.

Mr. Brian O'Kurley (Elk Island): Madam Speaker, I rise today to speak to one of the most important issues in Canadian history. Canada's commitment to the United Nations during the Gulf Crisis will undoutedly be recorded among the most significant aspects of our history.

This debate is a discussion about war and peace, a debate about right and wrong. This debate is about standing up for what is right, about taking a stand and fighting against evil. Canadians from sea to sea know that now is the time to reflect on Canadian history, Canadian traditions and Canada's ongoing commitment to peace.

Canadians from coast to coast also know that now is the time to contemplate and decide our future as part of the international community. From an international perspective this debate is about Canada's commitment to peace and peaceful nations. From a national perspective this debate is clearly about leadership.

There are those who say the aggressor must forcefully be dealt with. Others say wait until Saddam Hussein is struck with a feeling of peace. What can peace mean for Saddam Hussein? Does it mean more time to prepare for war? Peace is, indeed, an elusive, valuable and oftentimes fragile treasure. In recent history, world peace has been to a large measure attained by the United Nations, an organization founded specifically to pave a path to peace. For decades the UN has been successful as a team of peaceful nations joined together

to protect the weakest among its members from aggressive bullies like Saddam Hussein.

Saddam Hussein has continuously demonstrated, by his words and by his deeds, that he rejects peace. The evidence against Saddam Hussein tells a fearsome story: use of poison gas on his own citizens, wake of death and destruction when Iraq invaded Kuwait, development of biological and chemical weapons. It tells of attempts to develop nuclear weapons, and other weapons of mass destruction, associations with terrorist groups and of the recent missile attacks on Israel. On August 2, Saddam Hussein started a war with the international community. His actions and statements have continuously demonstrated a disregard for human life, international law, property, and his own personal integrity.

To ensure the continued success of the United Nations, it is extremely important for Canada to honour our commitment to the international family, within the United Nations, and stand together against the evil of Saddam Hussein. Canada cannot accept the benefits of the United Nations and then, when times are tough, reject its responsibilities. Canada must play a prominent role in the United Nations, not only when times are easy but, more important, when the situation becomes more difficult, as it is now in the gulf. Canada must continue its commitment to paving the path of peace, now in the gulf and also in the future. Through the United Nations, Canada must continue its efforts to expel Saddam Hussein from Kuwait and ensure the enforcement of international law.

As in the case of some others, my age limits my experience with war. I, of course, remember television reports of the Vietnam war and I remember hearing stories of other wars. In my family, my grandfathers had committed part of their lives to military service and, during the Second World War, my father served overseas as a member of Canada's Armed Forces in the Signal Corps. I recall, as a small boy, becoming focused on war every year, during the Remembrance Day ceremonies. In our home, the ritual every November 11 was a memorable one. Early in the morning, my mother would busy herself by assisting my father, shining and preparing his war and military service medals and, while they discussed memories of the war years and Dad fitted and adjusted his navy blue Royal Canadian Legion beret, I am sure they reflected on the years during the 1940s when, as newly weds, they found themselves thousands of miles apart and, although hopeful, they were somewhat uncertain about their future. After the small town parade, religious service and gathering of veterans, my father would return home to respond to questions from my brother and me.

Year after year, as a boy, I asked about war seeking, perhaps, a comment about heroism or glory. Year after year, I received the same lecture. War, I was told, was horrible. War, he told me, meant fear and terror. War was dirty. War meant unbelievable destruction. War, he described, was an awful experience to be avoided whenever and wherever possible. But he also lectured me about responsibility and commitment and about duty to Canada. Although the concepts of responsibility and commitment were less difficult to comprehend, I only began to understand the meaning of duty when I learned that, even though an old leg injury of his offered him an easy escape from conscription, my father enlisted as a volunteer to serve the interests of our country because he believed that it was his duty. Canada has a duty to support the efforts of the United Nations in the Gulf. Canadians from coast to coast must all join together to express our strong support to those who are on active duty in the Persian Gulf as members of the Canadian Armed Forces.

• (1650)

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, at the outset I would like to say a few words about my constituency which rarely has the opportunity of being in the news that is now on everybody's mind during this current situation. I have the honour of representing Esquimalt—Juan de Fuca which includes the largest Pacific coast naval base of the Canadian Armed Forces, as well as other contingents of our armed forces and of course, represented by the only armed force anywhere in the world that has won a Nobel Peace Price. This price for peacekeeping was awarded to the Princess Patricia Light Canadian Infantry based in Victoria.

I was struck by the reference to one's parents. Since this is probably one of the few speeches I make toward the twilight of my career, I will do something I have never done in my 25 years in public life and respond similarly for a few minutes.

My father was born in this country, raised in Winnipeg, Manitoba and in his first year of university volunteered to go overseas in the First World War. My father spent 10 months in the trenches, was wounded twice and suffered through a gas attack, and finally and ultimately lost his eyesight permanently in the fifties as a consequence of his service to this country.

My mother was a peace activist. My mother was responsible in her day for having me swaddled in bandages in 1936 as a victim of the Spanish Civil War protesting the rise of Fascism at that particular time. So the bona fides that all of us Canadians have of similar histories are important to reflect upon.

My father also talked to me about duty and devotion, as the other member spoke, but my mother and father also spoke to me about responsibility of conscience. I am Jewish, but I had the great opportunity of having two wonderful parents, and then attending two Catholic universities. I spent six years with the Jesuits and was exposed to Christian philosophy. I majored in Thomastic philosophy. A strange combination, a Jewish Thomist but nonetheless, here is the product.

The consequences of that amalgan in my background heightened the awareness that flag-waving and jingoism are indeed important for all of us at any given time in our life. But the most important thing for any one of us is to understand that we, as individuals, are responsible for our own actions. We serve a nation and we are proud to be Canadians, but this country is not great on the basis of some symbol or jingoism; it is great on the basis of individuals being responsible to their own conscience and then expressing that through the democratic process that we have, ultimately leading to this Chamber.

So there will be differences of opinion and no one must be diminished regardless of party on the basis of that difference of opinion. So far, this debate has been marked by a minimum amount of partisan activity, except that it has broken out regrettably from the government front benches in a way that has dismayed me, and today was a bit of an example of that. I hope it is the end of that, but it has broken out and I need to mention that.

This problem is presented as if it was an either/or situation. But we have to reflect just a little bit of how we reach this point.

Who sold the technology to Iraq? Did the Iraqi scientists spend Gross National Product of their country in developing surface-to-air missiles? Where did the Scuds come from? Where did the mirage airplanes come from?

The very panoply of a ray of arms against Iraq is a reflection of the arms they were able to buy from the Soviet Union, France, the United States and anyone else who wanted to sell it. We talk about the missiles zooming through the air, the Iraqis having this, that and everything else. Who sold it to them?

What was available on the market? To castigate members of the Liberal Party or my party for not following an absolute ginglism demands we examine whose hand has been behind the scene in preparing the material available for Iraq. The Soviet Union's hands are dirty. The United States' hands are dirty. Yes, this country, too: Its hands are dirty.

Not one western nation stood up during the time of all of these sales or in the great debates during the League of Nations, was against arms and arms embargoes. It was necessary for the Prime Minister of this country to sell his point and to be selective about his comments on history, and he has not done this House a service.

I thought it dismaying that he did not mention those people from this country who fought for freedom who have still to be recognized by Canada officially. Those are the brave young men of the Mackenzie-Papineau brigade who volunteered from Canada, served in Spain and gave their lives there against Fascism. Still, they have not been recognized by this country because there is a political division.

Nobody's hands are clean nor am I a saint, but I do read history. Who sold the guns to El Salvador that killed those six Jesuit priests and murdered those two innocent women? Who made the arms available for Salvador Allende to be murdered in his presidential office after he was democratically elected? Who was it who invaded Panama or Grenada for that matter, or Afghanistan?

While we talk about this new co-operation at the United Nations—God help me. I hope it is a reformation in the minds of those international leaders who now sit at the Security Council, including China with its hands at Tiananmen Square. Remember, they sit and deliberate without a clean background.

We are human beings, and we do make mistakes. Alas, I think we have made another mistake. This is a great testing time for the United Nations, but what a terrible test. We should have given more time for the embargo to work.

I find it ironic that I quote a former head of the CIA. To give strength to my argument, it was nonetheless the former head of the CIA in the United States' hearings who gave the evidence that Sanctions would work had we waited a bit longer.

The speech of the Leader of the Liberal Party and that of my own party clearly made that point. They represent, combined, a higher percentage of vote reflected in the general population than the government's.

We have a legitimate point of view that we have to present without the partisanship. I wanted to comment about the force of international law. The Prime Minister says—we all agree—that international law must be regarded. The court in The Hague was appealed to just within the last 10 years by the Government of Nicaragua to stop it from violating the sovereignty of that nation by placing mines in the Managua harbour.

When the Government of the United States was faced with the possibility of losing the case in the court in The Hague, it announced that it would ignore the decision in the court.

It is not good enough. I am hoping now that all the words, jingoism and statements by the big five and the Security Council means that never again will they be selective of when they decide the rule of law should apply to them as a nation. I hope out of this experience the Soviet Union will never again move in and crush the people of Lithuania. I am thankful that they have agreed to a referendum. I hope that imperialism of the extreme left will never show its hand again and the imperialism of the right will begin to stay its hand based on the rhetoric that is now being applied to this current situation.

• (1700)

I have some personal comments about this current situation. Five years ago, with the advent of Mikhail Gorbachev I spoke to a Catholic priest who is a very good friend of mine and I said: "Explain to me how this phenomena happens." He said: "Dave, the only answer I can give is that it is a gift from God." Being a bit of an agnostic, I was willing to accept that explanation because I was pleased with what I thought was happening. We saw the beginning of the end of the cold war. We saw the alliances, both in the Warsaw Pact and in NATO, being forced to question the necessity of their continued interests. The military and Soviet Union and some of the military in the west felt threatened by the thaw of the cold war. Certainly the military industrial complex that General Eisenhower warned us about also got very frightened.

With the cold war ending, we have to look at our parts of the economy, as the Soviets looked at their parts of the economy that were essentially built on the arms trade. The only way the arms trade can be sustained is by having a war. We have got one now. It is too simple to say that this war was arranged to sustain the arms race but it is pretty convenient. We have moved now from the cold war to the new crusades. Why do I say the new crusades? Because the magic trigger words used in the cold war were anti-communism or anti-capitalism. Those two trigger words have now become passé in world history and we have reduced ourselves to finding new trigger words; anti-Arab, anti-Jew, anti-Christian.

The fundamentalist Muslims have been appealed to in this debate to rise up against the infidel. Saddam Hussein has defined this aggression, that he initiated, as being a jihad. He is the one who added the dimension at this point of a religious war and there is fertile ground for what he is saying. On our side, we have witnessed in the Middle East serious attempts by serious people, both in the Palestinian community and in the Israeli community to get an international peace conference going, only to see it scuttled time and time again.

If nothing else comes out of this series of tragic events whose catalogues of loss of life have been described far more adequately and passionately than I can, by hon. members in this House, I want to believe and understand that this government will be in the forefront demanding an international conference on all that regions problems and everybody at the table.

Not only is the first casualty the truth in a war, but reason and logic and a perspective that is necessary for picking up the pieces afterward. I wanted the embargo to work. Now that we have a war. I hope to God it is over as quickly as possible with a minimum loss of life.

This is not a football game. This is not the NHL on television. You don't just turn off the channel and think that it is over. Unbelievable human, economic, and social carnage will be left there. What have we got to put in place when Saddam Hussein is gone, with a population that is full of hate and anger against the Christian infidel and the west? Do we think that some benevolent person is going to come in and rule Kuwait with an understanding hand? He or she will be murdered within one month. We are going to be in a quagmire there and anybody who thinks we will not have to put peacekeeping forces inside Iraq and Kuwait perhaps, but certainly in Iraq, is right out of their mind.

The peace and tranquillity of that nation as it goes through a major transformation will require that. I hear commentators on television saying that: "oh, no, it is surgical and, bang, it is over". Do not kid yourself.

Not only must we be ready to participate in a peace conference but we must also be prepared to understand that part of our budgets must go to playing a role in that peacekeeping force.

We talk about this war being over. I mention Iraq. Then we look at Syria. Assad today could have been yesterday's Saddam Hussein. He is in the same situation. It is ironic and I do not say this with humour but General Noriega and Saddam Hussein were very close friends of George Bush when he was the head of the CIA. I want to warn any would-be dictator who is heading out into the future to avoid a friendship with the President of the United States because within a few years look what history has shown us.

Hussein is Syria. What are his hands clean with? Nothing. What are they dirty with? Take a look at Lebanon. Take a look at his vision now of his opportunities and our worry that he may break in this fragile coalition—and he may break. Thank goodness Israel has had the common sense not to retaliate in the last 24 hours. Thank goodness for that.

Some hon. members: Hear, hear.

Mr. Barrett: We look at Mr. Mubarak in Egypt struggling to hang on to power, graciously forgiving a $7 billion debt by the Americans. Some cynics would suggest that they bought his support for his role in this. Not me, because I am too young to be a cynic. But when I look at his position and know that the population in his country is ready to hear the siren call of a jihad then I worry.

Then we look at the Soviet Union above Turkey, Azerbaijan, and right across the southern part of the Soviet Union, fundamentalist Islam has become the rallying cry against Moscow domination and we have seen visuals of people being murdered because of religion inside the Soviet Union. Again an example of the new crusades.

Fundamental Christianity, fundamental Islam, fundamental Hebrew, fundamental Judaism, fundamental anything, all have the problems of being absolutely right with no vision that perhaps someone else has a point of view as well. If we allow ourselves to be tied in continuously in this war on the basis of the new crusades, then the Soviet Union is in for turmoil, we are in for turmoil, and international terrorism will be based on "remember Iraq; throw another bomb".

I do not think that has been thought out over there. I came to this Chamber surprised that deputies never even sit next to the cabinet ministers. Where are the experts? Where are the people who advise this government? Even in Question Period, sure it is the opposition's role to make questions available that might jab the government, but it is not the government's role to be facetious in response. It requires statespersonship over there. I do not see much of it and it worries me. Lester Pearson did not act that way. Louis St. Laurent did not, and John Diefenbaker did not.

I have a few more things to say but perhaps I will get to say those in response to questions and answers. But I want to conclude my formal remarks by quoting the Pope's statement of three days ago. He said it in a framework that there are no winners and no losers. He said: "The whole world has lost over what has happened this last week".

• (1710)

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I wonder if the hon. member might have a few more comments to elaborate on the information that he was giving this House.

Mr. Barrett: Madam Speaker, I have not said anything that is uniquely mine. I have only reflected wiser heads who do not have a political base which requires them to be more confined. The only thing original in what I have said is my perception that we are really in the new crusades. Everything I have spoken about has led me to believe that.

If there ever was a time for the religious community leaders of this world to provide alternate leadership, this is it. It is a time for the Chief Rabbi of Israel, the head Muslim mullahs and the Christian leaders of the world to call their own special inquiry or their own special World Council of Churches meeting, because we all pray to the same God, and we had better make that sure to all our relative adherents. We all pray to the same God, and I hope she understands our wavering when we do this. The reality is that it would be a good alternative and it is also extremely important for salving the egos of males who are involved in this kind of thing to understand that there is a higher course to deal with. I suggest the Canadian government be the first to appeal to the world's religious community leaders on an ecumenical basis to perhaps provide new leadership in problems that are fraught with religious differences above everything else.

This debate is important. How we vote is not important. I do not want anybody to go out of here believing the jingoism that we have to vote for being in the war. We are already in the war. What I had to say before the war started is a heck of a lot different than what I have to say now in dealing with that reality. The Liberal Party understands that and so do we. Our position is clear.

We are opposed to any aggressive role by Canadian forces. But, we must be there to offer humanitarian alternatives. We must be there so that we never again see the visuals of refugees in the water looking for ships. Do you remember those visuals from Vietnam of kids and mothers, regardless of race, creed or colour, looking for a boat or a haven, and how it took the world quite a while to respond? We must never let that happen again.

We have to help Jordan pay a little bit of the bill for those refugees even though they are having an internal fight about whose side they are on. We have a lot of work to do. Let Canada begin to work. Let this government understand the reflections, the desires and the demands of the average man and woman in this country who do not give a fig about Tories, Liberals or Conservatives, but want peace and leadership from this country to deal with the very real human problems that have been created by this disaster and a warning to all those nations who led us to this. Your hands are not clean. You want clean action now, you had better, never behave the way you did in Afghanistan or Vietnam or Panama or elsewhere again.

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I think that the hon. member for Esquimalt—Juan de Fuca had started to explain the many layers of casualties that occur in a war situation, the layers of casualties with regard to truth and our attempts to try to grip the situation by reverting to simplistic arguments to think that we have some control over this. One of those simplistic arguments that is put forth against our party is that we are anti-military. Well, nothing could be further from the truth.

I would like the member who represents the riding wherein the largest naval base and the Princess Pat Light Infantry, the recipients of a peace prize are located, a neighbouring riding to my own, to talk about the role of the military, the distinguished role of the military throughout Canadian history, and how we can now go on from here with that reputation for Canadian military action. Our position is not criticism of the military. I would like him to expound on that.

Mr. Barrett: Madam Speaker, within the last two weeks I had, in my responsibility as a member of Parliament, to be on one of our naval ships, as we saw the crew leaving for the east coast. I was participating in the military ceremony. The captain on the ship was incredible. He allowed us to talk to crew and go wherever we wanted.

The debate among the crew is the same as the debate here in this House. It is no different. They had Liberals, Tories, and New Democrats in uniform. They all had similar opinions. But, the one basic condition and foundation they had in dealing with each other was the genuine desire to be a different kind of service in the Canadian military, based on the traditions my colleague mentioned.

Let no one believe that our men and women who are in uniform for this country are jingoists or rambos. We have the most responsible military force ever in our history. They are well educated, well trained, philosophically based, and understand their traditional role as peacekeepers. They will do what is asked of them. They are doing what is asked of them. We are proud of the fact that they will do what is asked of them. But they will also do the work that we have them for in Cyprus, in Israel, in Lebanon, and in other areas. They are trusted, believed in, and respected.

When this is over, let us understand that Canada is ready for an extension of our role internationally to continue using our military forces for peace.

POINT OF ORDER

Mr. John Nunziata (York South—Weston): Madam Speaker, I rise on a point of order. Earlier today there was an exchange between you and I. Following our discussion in chamber, I would like to unequivocally offer to you my apologies and withdraw the comments I made about you.

Some hon. members: Hear, hear.

Madam Deputy Speaker: I would very much like to thank the hon. member for doing the honourable thing.

[*Translation*]

This honourable gesture really has a particular effect: the House of Commons as an institution emerges with greater stature from a difficult moment. On behalf of all members of this House I thank the hon. member very sincerely.

[*English*]

SUPPORT FOR UNITED NATIONS

Mr. Bob Porter (Medicine Hat): Madam Speaker, much has been said throughout this debate about the role that Canada has played in the past, what we as a nation should be doing now, and what our role will be in the future.

Canadian forces were actively involved in both World Wars and Korea. As a nation we have paid a high price for freedom and I think sometimes that we have come to take it for granted. Over 100,000 Canadian lives were lost in those wars. How much different history might have been today if our allied forces had not made that ultimate sacrifice to fight and die in a senseless war. I think we have all agreed that all wars are senseless.

We are reminded of this every November 11 when each of us, as members of Parliament, attend the services and see that diminishing line of veterans who appear each year, those who have served their countries in the past. There are very few from the First World War, if any, and some from the Second World War and Korea.

• (1720)

With those reminders to all of us of the role that Canada has played in past wars, it has given us the opportunity to enjoy some of the freedoms that we have: the freedom each of us has to run for elected office and to speak out freely whether it be in the House of Commons, on the street, or in the media.

A lot of people gave the ultimate so that those of us who enjoy the benefits are able to live the lives we do in Canada. Sometimes I think we take too much of that for granted. We see perhaps at times fewer and fewer people at Remembrance Day services. We dust off our memories once in a while to remember those who have contributed to Canada's role as a nation and the respect we have earned throughout the world, both in serving in active duty and the peacekeeping role that has been talked about so often during the debate in the House.

As a young child growing up during the latter years of the war, my most vivid memories are from the small prairie town of Medicine Hat, which at that time had a population of about 10,000. We had a prisoner of war camp on one side of the town and a military training base for the air force on the other. Young men from countries all over the world came and trained there. We also had young men in that prison camp, many of whom were little more than teenagers. They had probably fought in a war wondering why, as many young people do, they were in it; what cause they were fighting for; and if they were going to get back home and see their loved ones. At the end of the war there were more prisoners in that camp than there were people living in the city.

Young men came over from the British Isles and Europe to train and fly planes and then went back home, not knowing whether or not they would ever be coming back to Canada again. Some of them did, and that has been a remarkable part of our community. People from both sides have come back: those who served in the war and others who were prisoners. They have made their homes, raised their families, and somehow between themselves resolved some of the differences they had.

It certainly is not easy for any of us in this House to discuss the situation we are now into, knowing that almost by the minute that it is changing. Television is running almost 24 hours a day now. It is an experience that none of us has had to go through. It has been distanced in the past, but this focuses it very closely on what is happening in today's world.

The Canadian Council of Veterans, in commenting on the present situation, remarked that Canada's veterans have worked long and hard for peace but that there comes a time when the principles and ideals for which we fought in previous wars must once again be defended. This is such a time.

I believe that Parliament has a duty to support the United Nations resolution as it is written, and therefore the resolution that is before this House. That we must use this terrible method of attempting to secure peace and stability throughout the world is a sad reflection on the ability of mankind to resolve our differences.

At the San Francisco conference that gave birth to the United Nations there was a vision of keeping the peace and collective security. This vision was strongly endorsed by Canada and resulted in articles being written into the United Nations charter, enabling member states to aid one another and repulse aggression if necessary by military means. Canada was there at the beginning, upholding the principle of collective security. The Persian Gulf is a crucial test for the United Nations and Canada must support it. With the benefits and security that hopefully go with membership to an organization such as this one also must go the responsibilities.

It was the failure of the League of Nations to respond effectively to aggression that led to its demise.

When Iraqi dictator Saddam Hussein invaded Kuwait on August 2, the war in the gulf had effectively started. Reason and diplomacy were apparently not options that he was ever to consider seriously.

I think every effort was made. The United Nations, through its leadership, attempted every avenue open to it. There was diplomacy used here which gave Saddam Hussein every opportunity to stand back from the position he had taken and give the pause for peace we had so much hoped would occur. There was no indication that he would end the aggression and every indication that it was just a matter of time until it escalated.

While sanctions may have had an impact if applied rigidly and long enough, there was no guarantee that economic weakness would get Saddam Hussein out of Kuwait. He appeared willing to let thousands of Iraqis and those in occupied Kuwait suffer before any effect would have been felt by the military.

I know there have been untold accounts of what may or may not have happened to improve the situation, to extend the deadline that was set. I have read a number of articles. I will quote from *The Gazette* of Montreal for Thursday, January 17, 1991:

> Those in Canada and elsewhere who suggest that the world faced a choice between war and peace missed an important consideration: peace now—if it did not include Iraqi withdrawal from Kuwait—probably would not have meant peace forever, or even for very long. It would have meant complicity in Iraq's aggression, and the setting of a precedent that would encourage new aggression elsewhere. It would have meant acceptance of Saddam Hussein's evident plan to dominate the Middle East, regardless of the wishes of its inhabitants. Israel and Saudi Arabia had reason to fear his intentions. But Iraq's invasion of Kuwait, whose major sin, it seems, was to have lent Iraq a large sum for its war effort against Iran, shows that even Iraq's friends were not safe.
>
> Indeed, the choice probably was between war now and war later—against a stronger Iraq that could well be equipped with nuclear weapons. Economic sanctions have not worked, despite the fact that they succeeded in cutting off Iraq's oil exports, nor is there convincing reason to believe they would have worked quickly enough.
>
> The United Nations is about peace. But it is also about collective security. Canada would have been wrong to shirk its responsibilities.

Margaret Thatcher commented the other day that dictators never surrender but must be defeated. There will no doubt be continuing disputes between nations long after the events of the Middle East have come to pass, if they ever do. I think we must weigh in our own conscience our values and our love of this country. We must hope and pray we can resolve a difficult situation which has been made much more difficult by the fact that war has taken place.

Setting that aside, the UN with all of its imperfections is our last best hope for the security of the world.

Canadians everywhere have a right to express their feelings. I know that all of us, in our hearts and our wishes, hope for the same result, whether it is those of us in the House, people throughout the country or, I am sure, in other nations, that we can conclude what has taken place. War is probably the result of human frailty. Perhaps all of us have failed to a large degree, and some in smaller ways. But I guess all of us show that this is a result of failures by those of us in various levels of

government, right across the scope of countries from one end of the world to the other.

• (1730)

I only hope and pray that soon all of us can look back on this and realize that there has to be a better way of conducting the affairs of the world. My sincere hope is that the United Nations is the avenue open to all of us.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I would ask the member who has just spoken, for whom I have a lot of respect, if he wishes to make any comments to the House about about how those nations, which form part of the allied force, will speak to the Arab world, the world of Islam, after the war.

While he is at it, I wanted to ask the Prime Minister today about an incident that took place this morning on a bus in Ottawa. A young person who is, I believe, of Arab origin, possibly Iraqi, got a bloody nose. Somebody who was on the bus says it was a very nasty incident. I wonder if he has constituents of Iraqi origin or other parts of the Arab world. Does he have any thoughts for them today as well?

Mr. Porter: Madam Speaker, I would like to say to my colleague, the hon. member for Edmonton Southeast, that certainly I do believe we have some. There is not a large community of Arab people within the constituency, although I know of a number. Certainly incidents such as he mentioned are the types of things that all of us deplore.

I mentioned earlier about the prison camp and the people who are serving the military on the other side. I guess I have reason to feel that at that point in the hostilities, feelings perhaps were running as high as they are now. Yet I have seen a coming together or a melding of those societies. Young men who were prisoners of war came back to live in that community, and others who had served in the forces have come back and have learned to live and work together.

The scars are going to be deep; there is no question about it. I think if the situation remains as it is, with Arab forces on either side, there may be some hope for resolution afterwards. I think the more it goes on, the more we escalate the war that is going on. Should those forces become involved, it is going to make it much more difficult. I am sure right now for those people, the Arabs on either side, it is going to be very difficult. I do not know if there is ever a healing process. I guess there is not a healing process from the Second World War.

If one talks to the people in Lebanon, their views on what happened there, I am sure, will go on for generations. I am sure, as the hon. member has indicated, what is taking place today will probably remain. The views of those people regarding the way they view the rest of the world and perhaps the way they view us will probably be changed indelibly.

As for incidents such as the hon. member mentioned, it is my hope that we could rise above that kind of thing. I think we are Canadians first. We all come from different backgrounds and different walks of life. The fact that we came from somewhere else that is involved in a situation like this is, I think, something that any Canadian should be able to overlook at this time. I do thank the hon. member for his question.

Mr. Ross Stevenson (Durham): Madam Speaker, this debate is fundamental, it is significant, and it may have consequences that none of us can foresee now. We are discussing a decision on Canada's support for UN resolution 678 and, most particularly, the involvement of our Canadian Armed Forces personnel in a military conflict. We are discussing a war that, like all wars, means death and destruction.

The decision was a perplexingly difficult one because it was so far removed from the usual Canadian sphere of experience. Today I believe you could count on the fingers of one hand the number of MPs in this present House of Commons who have served in wartime in Canada's Armed Forces, during either the Second World War or the Korean conflict, which ended more than 37 years ago.

This in itself says a great deal about our country, its role and attitude in world affairs. Our knowledge of war is either as a very distant memory or as history. By tradition, Canadians are not a militaristic or warlike people. Traditionally our peacetime armed forces are small in number and too often neglected, but also extremely professional, as they are once again showing at present.

I do not consider myself a hawk or to be in any way hawkish in my approach to international affairs; quite the contrary in fact. During my brief two years in the House, I have had the honour of representing Canada at discussions in Japan, which led up to the United Nations Agreement for Verification of Disarmament and Arms Reductions. I have made statements in this Chamber commending initiatives towards disarmament and for the reduction of nuclear weaponry. Recently, I was one of the country's representatives at the meeting of the North Atlantic Treaty Organization's parliamentary group in Britain.

The role of NATO has often been misunderstood. While it is essentially a military organization, it was never intended to be an aggressive force. NATO was founded, with Canada's renowned peacemaker Lester Pearson playing a leading role, as a means of guaranteeing peace through co-operative security agreements between the member nations. In that respect, NATO provided an unqualified success through the 40 years of the cold war. Though it is not recognized as such, perhaps Canada's greatest contribution as a world peacekeeper may well have been in helping to create and maintain the North Atlantic Treaty Organization.

Canada's reputation as a world peacekeeper goes back as far as the aftermath of the Suez crisis in 1956. We developed an enviable record in that regard in the Middle East and elsewhere in the succeeding years. Many have questions on whether we now might jeopardize all that through our present role in the Persian Gulf.

Here it is significant to look back to another important aspect of our nation's history. Though I have stated that by tradition we are neither warlike nor militaristic, Canada has been faced with the necessity of war and has been ever ready to do all or more than we were expected to do.

This was true particularly in the two world wars during the first half of this century. More than 600,000 Canadians participated in the First World War and one in 10 did not return. Our role in 1939 to 1945 was such that at its conclusion Canada had for the first and, we hope, the last time in our history a complete, full-scale army in Europe.

We had what probably was the world's third largest air force and fourth largest navy. This was no small commitment of achievement on our part because at that time we had approximately 12 million people. I do not speak boastingly of this, of course, though it should be a source of pride for Canadians.

• (1740)

My point is that Canada does have a proud tradition in peacekeeping and also of rising when necessary to join other nations in resisting aggression. I believe a similar necessity now faces us today.

I have listened especially to the arguments of those who claim that economic sanctions should have been given more time to prove their effectiveness against Saddam Hussein's regime in Iraq. I wish I could agree with that view but, in my view, reality shows it to be different.

There are those who say that we should have attempted further negotiations with the Iraqi leader. Again, I personally and most sincerely wish that this was possible. But how can there be negotiations when he refuses to even discuss the basic demand of those arrayed against him that he leave Kuwait and restore it to its sovereignty? In recent days, he has rejected or ignored all the reasoned appeals from world leaders pleading with him to avoid an armed confrontation. Last night's unprovoked attack on Israel is a clear indication that peace and negotiations are not on his agenda.

This is not a crisis of blood for oil, as some would have us believe. "Blood for oil" is a catchy but dangerously simplistic slogan, an attempt to reduce the gulf crisis to a ridiculous common denominator. While the value of Kuwait's oil undoubtedly was a reason for the Iraqi invasion, that oil is of minimal importance to us in Canada. World oil prices have been affected, but no responsible world leader, and certainly not the United Nations, would confront Saddam Hussein just for that.

One disturbing effect of the whole discussion on the crisis in this chamber and elsewhere is the claim that our government is marching to war in some sort of lock-step with the United States administration in Washington. Sadly, I am coming to believe that there are those in Canada who, for whatever reason, so dislike our next-door neighbour that, when considering foreign policies, they first determine the U.S. position and then take the opposite. To such minds, if you agree with the U.S., you are therefore automatically wrong and are a lackey of Washington.

In the current situation, of course, this totally ignores the fact that the U.S. is one of 28 nations, as is Canada, supporting the United Nations in acting to thwart an act of naked aggression. As the largest and most powerful nation in the present world, the U.S. consequently has accepted a leading role in the gulf. The United States is not the villain; let us be clear about it. Nor is it the author of the current crisis in the gulf region. To suggest otherwise is to play into the hands of Saddam Hussein and his skilled propagandists.

Personally, I think we should be grateful that the United States has been willing to accept such a large portion of the responsibility and, as a democracy, has the ability to do so. I also personally think that we in Canada might be grateful that we have such a nation as our neighbour. Canadians would be thinking quite differently if we lived beside a regime such as that now governing Iraq.

I am sure that no one in this government or in this Parliament is at all comfortable with a decision such as this one committing our Canadian Armed Forces personnel to service in the region under armed combat. However, there comes a time when such decisions are necessary. If we are to fulfil our responsibilities and our obligations as a member of the United Nations, this is such a time.

It is a sad time, particularly when you think back to the sudden optimism we shared just one year ago. That was when the Berlin wall and the Iron Curtain came down. Nations of eastern Europe were emerging to enjoy new-found liberty. There were some who even wondered if there would be any future role for our armed forces. There is and it is that which we are now discussing.

Through the history of this country there have been many ifs, like haunting sign posts along the road as aggressors march to their rise in notoriety. What if Hitler had been blocked when he marched into the Rhineland or when he later demanded Czechoslovakia? What if Mussolini had been stopped from seizing Ethiopia?

Today we have the unique situation in which through the United Nations countries of the world are confronting and seek to turn back another such aggressor. Canada has a clear role and as parliamentarians we have no honest choice but to accept it.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I want to say I listened to my hon. colleague's comments and I know that he was speaking from his heart when he said on behalf of all of us we hope for a swift and very complete end to these hostilities.

He mentioned in his presentation that there are 28 countries involved in the American-led forces, or in the coalition in opposition to Saddam Hussein's invasion of Kuwait, Canada being one of them. At the beginning of the combat there were four countries involved and now we are seeing others come in. I think the latest involvement includes perhaps nine different countries out of the 28. Right from the very beginning Canada had indicated its support militarily for the United States-led initiative and, of course, we have now seen in the last number of hours the commitment to CF-18s in terms of flying with the American B-52s in their carpet bombing of parts of Iraq.

My question is actually very straightforward to my friend and that is: Does he understand or perhaps what is his opinion why Canada was so quick off the mark as one of the handful of countries out of the coalition of 28 to get involved in a military commitment with the American forces?

Mr. Stevenson: Madam Speaker, at a briefing this morning, it was indicated that Canadian aircraft still have not taken part in any new role in the Middle East. They are still flying escort, if you will, for the shipping in the northern Persian Gulf. At the briefing today there was no request for Canadian aircraft to change their role. It is not clear at this point whether they will be asked to change their role.

I think it is significant that under the direction of the government and the Prime Minister the Canadian aircraft were obviously requested to stay out of the first waves of bombing that went over Iraq.

But we cannot back away from the fact that Canada has played a significant role in the United Nations for many years. We have fought in Korea along with other nations in an aggressive stance. We have taken on many occasions, as the member well knows, the peacekeeping role in other assignments in other parts of the world.

This is one further such assignment. Canada continues to play its role in the United Nations to support resolutions that were passed by all its members.

• (1750)

I trust that Canada will continue to do the same. I see no reason why Canada cannot, in the future, play a significant peacekeeping role in the situation after this war is over, and certainly in other future situations around the world.

This, in my opinion, will not change Canada's significant position in the United Nations currently or in the future.

Mr. John Nunziata (York South—Weston): Madam Speaker, I would like to thank the hon. member for his contribution in this particular debate.

I believe it essential that members of Parliament indicate their feelings and express to their constituents their particular perspective in this most serious situation.

We are, however, debating a resolution that reads as follows:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

The resolution itself, it seems to me, is not relevant because hostilities have indeed broken out. This particular resolution, of course, was put on the Order Paper before hostilities broke out a few days ago.

I would like to ask the hon. member whether he agrees that the resolution is academic at this point? Would he not agree that, at some point soon, this House should pass a resolution—hopefully unanimously—indicating its support for the troops that are presently in the Persian Gulf?

Mr. Stevenson: Madam Speaker, of course as the member says, we are reasserting the motion in front of us. We are reasserting support for motions that have been passed in this House on previous occasions.

We had discussions along the same lines in November. In fact, this Parliament was one of the first seats of government to pass such a resolution, and this is here now only to allow us as individual members to again express our views should we wish to.

This is not taking any particularly new position as far as this House is concerned. Certainly, I think most members here in their discussions have stated their support for our armed service personnel currently in the gulf.

Ms. Ethel Blondin (Western Arctic): Madam Speaker, in July of 1990, I went to the Middle East.

I was rather uneasy but very consumed by anticipation and curiosity. I was going to the Holy Land. Little did I know that this was to be the journey of journeys. Little did I know the experience I would have, the emotions that would stay with me and, most of all, the people I would meet and the knowledge I would gain.

We all know that the Middle East question is one that is composed of a multiplicity of complex circumstances and factors some of which are so fundamentally ingrained and inextricably intertwined that even close examination is not sufficient to truly appreciate and understand the whole question.

I really did undergo a major political metamorphosis as I sat there that morning on the Mount of Olives overlooking the city of Jerusalem. I felt a great sense of personal peace and appreciation for the countryside.

I thought—as I stated earlier—as I stared over the landscape and spoke to the people with me on this day that I had come to a land of beginnings, enormous history and culture, never knowing that I would be facing a day like today when the city is filled with fear, anxiety, confusion and chaos. I was at a loss for words to describe my feelings as I was travelling throughout Israel. I met many people and went to many places; Beitzhour, to Ramallah to Beirzhit, the universities that were shut down for 36 months, to Jerusalem, to Bethlehem and to Jabalayia, to the heart of the West Bank and the Gaza Strip to the refugee camps where 1.7 million people live in the most over-populated conditions.

It was to be a journey I would never forget. If I read about it or heard about it, or maybe if I had spoken to someone about it I might have doubts about what I saw, but from what I was already told, I had pictures floating by my eyes as we travelled through the refugee camps. When you see those things for yourself, when you see those conditions, and when you talk to those people, and break bread with those people, and you open your mind not only to your sense of history but to the present circumstances and conditions and the future expecta-

tions of those people, all of those diverse groups, it really is quite a different story.

You feel the sense of alienation. You feel the sense of frustration. You feel the sense that these people have a struggle, that each and every one of them is involved, from the youngest child who can walk to the oldest person who can carry something, they are all involved in the human struggle for survival.

And I wonder as I stand here today, Madam Speaker, why all the bravado? Why all the rhetoric about power and about war? Why all the euphoric mesmerization with war? Why is it that we look at the science of destruction and see it as something to be admired, when leaders who have had experience with war and who have probed the questions of how to obtain peace have questions remaining and have lived their lives without answers to questions like places in the Middle East?

Madam Speaker, there are many people involved in this war, including us who have been thrown into this situation. There are people there now who are Canadian citizens and my caring thoughts are with those people and their families. I have a press release here from the Grand Chief of the Mohawks, Chief Joe Norton and he says the Mohawks of Kahnawake have approximately 22 men presently in Kuwait fighting with the United States Armed Forces against Saddam Hussein's Kuwaiti army. These men were among the first to be sent to the American lines before Christmas. As well there are a number of Mohawk men in the Persian Gulf with the United States Marines.

He goes on to say that the United States Army initiated a huge recruiting drive to persuade Mohawk men to join the U.S. Army in 1990. Mohawk men, according to the U.S. Army recruiting officers are sought by the Americans because they are known for their fearlessness, fighting capabilities, and bravery.

There are many such Canadians and other people over there who have been thrown into this war, who have had put before them some very difficult questions.

I guess I should say that those Canadians are watching this debate in Parliament with anxiety and fear as we have watched the events unfold in the gulf. I guess it is good to say we are involved in a debate that few of us have experience with because we have no experience with the previous world wars. Many of us have no experience in understanding the goings on of military activities and the strategies thereof.

But we have an appreciation for two things perhaps. One, we have an appreciation for the fact that we live in a peaceful country, that we have peace in Canada. We live in a democratic country. We have people out there. It is not just the military and the families that are out there, we also have journalists. There is always the friendly battle between journalists and politicians; we have people like Eric Rankin. We have people like Jim O'Connell and Brian Stewart. These people, in doing their jobs, risk their lives. They go out there to bring us the message and to bring us the news. I know journalists. Their oath is to the truth and to bring the facts to us. Those people are also out there.

• (1800)

Here we are debating the crisis in the Persian Gulf, but I feel that we are a bit late. I also feel that this particular motion is redundant. I believe that we should have been here within the last 10 days, not within the last three days. I believe that many of the things we have wanted to say have been cast aside because circumstances have so drastically changed.

I believe that Parliament must be given explicit right to debate a governmental action to commit Canandians to a potential war zone "before"—and I underline and underscore—"before they are dispatched". I believe that Canada has more to offer to peacekeeping than to war. Perhaps it is my fault. Perhaps it is the way I perceive things that will not allow me to accept anything other than a true struggle for peace. In my heart I believe that peace has to be our objective.

Canada's longstanding commitment to multilateralism and support for international institutions has given Canada a level of credibility matched by few countries. That is what we have to offer this arena.

You heard the Prime Minister today, Madam Speaker, say, "We are not a superpower. We are not a major deterrent". That is what the Prime Minister stated today.

Just look at the lead role taken by Pierre Trudeau and his peace initiative in 1983 to 1984. Let me quote Mr.

Trudeau. "If our future depended on Canadians alone, we could be confident that it was safe and sound. But no nation today holds its future securely in its own hands. We share this planet with about 160 other nations, all of whom interact with us in a global system, embracing our security, our economy, the health of our environment and the quality of our lives."

I do not want to focus on hindsight at this point but the question is on many of our minds. Did we really put enough effort into diplomacy? Will we ever know? We never had a report from the United Nations telling us that we had exhausted all possibilities.

Those statistics were not released to us or to our Canadian citizens. We will not know. How can we disprove what the government side has to say? How can they disprove what we hold as our position that perhaps we should have held out for more negotiations and for diplomacy to work and for sanctions to work. We will never know. That is the sad situation we are in today.

Only a year ago, citizens throughout the world had high expectations for peace. I had phone calls from Germany the night before the Berlin wall came down. We were at the German embassy, having supper, discussing the possibility of the reunification of Germany. What an exciting debate that was. The next day the wall came down. The cold war was coming to an end.

Today we are faced with a crisis in the new and short lived international order. The Berlin wall is down and the cold war is ended, but just a short year later on August 2, within three hours the situation was quite different. Iraqi troops accomplished their objectives. The Government of Kuwait was overthrown and Iraq was in control.

During the Vietnam War it took a considerable period of time for the American public to come forward in peace rallies to really wrap their minds around what they wanted and what they did not want with the Vietnam war. We had numerous peace rallies across Canada. It did not take that long. We had one that I hold dear to my heart because 10 students in my riding got together and organized a peace rally. We had 400 people in Yellowknife at minus 40 degrees Celsius in support of peace and many calls and letters from my constituents. My constituents believe that war was not the only option left to us in the Persian Gulf. That is a belief. That is not something that I am using to hurt anybody or to insult anybody. It is something that people believe in. They believe as I do, that sanctions and diplomacy could have achieved our objectives.

Are we so short on leadership, hope and ideals that we have forever rendered the use of sanctions and diplomacy useless? Can we ever expect them to work? Will there ever be the credibility to try and force them in the future? That is a huge question. We have run the risk of losing that particular tool in a crisis in the future. It is interesting to note that today there are numerous peace rallies being held all over the place and people have questions. I ask myself, what will this movement be like if the war becomes unmanageable or has it become unmanageable?

What we have seen in the initial operation is that this war in the Persian Gulf will be like no other war. It will be unparallelled with its intensity and furore. We saw the television clippings of Baghdad lit up like a Christmas tree. There is no joy in that. American power will be unrestrained this time. This time I believe there are no limits. We know that there have been at least 100 bombing runs. This is the beginning of the air portion of the campaign. There has yet to be a ground operation which I feel could be much more devastating in terms of casualities. I believe this is only the beginning and that we have sadly underestimated the capacity that is there for the destruction of human life and for the destruction of a civilization and for the impact that it has on the world psyche in terms of peace.

Canada needs to provide a humanitarian role. Today, there are thousands of refugees running from Iraq. They are fleeing to Iran, of all places. After an eight-year war between Iran and Iraq those refugees are fleeing to Iran. War does not make sense. Refugees need our assistance. Canada must also provide food aid.

I want to take a few minutes to look at the issue. It is not black and white like many have portrayed. I believe that the Secretary of State learned when he travelled to the Middle East that there are some legitimate concerns within the region, such as Iraq's access to the sea. On the other hand, we are dealing with Saddam Hussein.

Saddam Hussein, as everyone knows, has gone to war twice in the past 10 years. He is a man who has grown up with the mentality of a revolutionist and he still is. That is the approach he has endorsed. That is the thinking of this man. In the countryside of the Middle East there has always been the opportunity for violence, and there still is, even when I was in the Middle East last summer.

When Hussein was a young teenager he joined the revolution and I believe that he has stayed there ever since. We have seen Iraqi TV showing pictures of him as a defiant person the day after rallying his troops. He is a Third World leader who wants his hands on the economic jugular of the entire world. He is determined to dominate the Middle East. We knew about his greed for money and for power. That is why the world united in supporting economic sanctions and very eloquently so. I cannot believe that we have done such a fast turnaround. I simply cannot believe the words that were expressed by a number of people, especially leaders in the States, who first endorsed economic sanctions and who—including Senator Edward Kennedy—said to Canadians that we had to give sanctions a chance. The President and Mr. Baker were people who sincerely endorsed sanctions and appealed to everyone involved to give sanctions a chance. Well, we have gone beyond that. We know it. But I believe in my heart that we will never know for sure because we have taken that pre-emptive step in aligning ourselves with our neighbours.

• (1810)

Although you will not hear it from those who wanted to proceed immdiately with military force, the economic sanctions were working to minimize Hussein's power. His exports were all gone; 90 per cent of his imports had been stopped and Hussein was quickly running our of revenue and currency.

We also need to understand that there will be thousands of casualties, maybe tens of thousands. Canada must provide medical and support services to those victims.

We also need to understand the ecological impact of this war. There are over 1,000 oil wells in Kuwait, 350 of which are pressurized, which means if they cannot be blown out and capped they will cause very intense fire storms; 10 million gallons of oil will burn daily; 500,000 tonnes of ash will move to the upper skies adding to the the carbon dioxide buildup, creating holes in the ozone, obstructing sunlight which will force the temperature down.

Canada has the technology and must help to manage these environmental disasters.

It is certain that the financial cost of war will be billions and billions of dollars. The quote I was given is that it costs $3 billion a day.

In conclusion, I would like to end my speech by reading a quotation I think is quite effective.

Canadians know that our security cannot be achieved in isolation or the security of any country, but we have the responsibility to ensure that all our global problems are tackled, not in a combative mode, but through co-operation.

War is the science of destruction and it cannot be stated better than this. A great world leader once said:

> When people speak to you about a preventative war, you tell them to go and fight it. After my experience, I have come to hate war. War settles nothing.
>
> Dwight D. Eisenhower.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I appreciated very much the speech by the hon. member. I do agree with her that war does not solve any problems. I think we should have let sanctions take their place and work. It may have taken about six months and at that point Mr. Hussein would have probably given up.

I would like to ask the member a question. Does she think the Americans gave the wrong signal to Iraq, when the American Ambassador, April Glaspie, said to Mr. Hussein, and I quote:

> We have no opinion on the Arab conflict, like your border disagreement with Kuwait.

This is what the Abassador of the United States said to Mr. Hussein on July 25. Did she think this was a signal to Mr. Hussein that he could invade Kuwait and is there a responsibility on the part of the United States that this happened?

Ms. Blondin: Madam Speaker, I must admit that I would be one who would be the last to ever be able to understand how the Americans make their decisions and how perhaps someone like Saddam Hussein would respond and would have motive to respond. I must say that I have a lot of questions of my own that are similar. I do not know if the wrong signal was given but I feel in my heart that if we are going to talk about what we might term motives, then from the very onset of this whole conflict American involvement is something that I fail to understand. I have failed to fully appreciate it, if I might put it that way.

I always felt the Americans would strike first. I felt particularly sad because I felt for countries like Jordan that are compromised or countries like Israel that would become targets.

That is why I felt so strongly that perhaps we have underestimated the capacity to have prolonged peace instead of starting wars by not allowing diplomacy, the full range of whatever leadership capabilities there are, to take on an effective role and for sanctions to have worked to have allowed that. If that was not happening, why were we not told specifically and explicitly that it was not working and the reasons why?

In terms of this specific question, I cannot pretend to guess at what the motives of the Americans are. I can only look at what has happened. I cannot look back to even the Iraq-Iran war. My colleague, Mr. Barrett, who was here over half an hour ago—

An hon. member: Who made a fantastic speech.

Ms. Blondin: —talked about the Iraq-Iran war and motives not just of the Americans, but of the Soviet Union, in a number of places throughout the world. I cannot say that I fully appreciate. I cannot say that that was the reason why, but people do have questions about why there is involvement. People do have questions about how many perpetrators there are in a war. There is not just one. There are many. How many fingers are on the trigger of the gun? There are many.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I appreciated the remarks of my hon. friend. They were timely and very thoughtful. I was particularly moved by her comments on how this whole horrible mistake was a reflection of missed diplomatic initiatives and her concern that perhaps enough attention had not been given to sanctions, but also a wide range of other diplomatic initiatives that hopefully could have convinced Saddam Hussein to remove his forces from Kuwait.

I think that she will share with me a feeling that the United Nations has missed an opportunity. We were relieved at the end of the cold war and felt that the United Nations hopefully could play a different role in terms of really seriously solving these international disputes when they came up.

I wonder if she would share her views. Does she feel, as many of us I think do, that the United States in a sense uses influence to such an extent that resolutions are moved in the United Nations that some feel are not only inappropriate but go against the charter of the United Nations. Further, that really we missed an opportunity by simply going to war, by mobilizing allied forces to go in and crush in such a brutal way the Iraqi military and that we raced in as we have done in the past. We know that we do not solve the problems. We perhaps even make greater problems for the future by doing that. Yet we have missed an opportunity with a revitalized and more meaningful United Nations because of this particular action.

• (1820)

Ms. Blondin: Madam Speaker, I appreciate the very poignant questions and comments that my colleague has made and I must say that there is an uneasiness about the role in which key players have engaged in this whole crisis. The United States is one of them, but Canada is another. We are thrown into a situation where I really believe we will never know for sure the opportunity that was missed, but I guess you can say that we live to fight another day and to see other opportunities.

The United Nations and our government have the responsibility to encourage member nations to engage in activities that would perhaps reprofile the activities that the United Nations engages in for the security and freedom of countries and the maintenance thereof. I think that is something for which we would hope. Perhaps it is time for a conference as one of my colleagues stated. I have believed, since I went to the Middle East, that the United Nations could spearhead a conference on the Middle East that would deal with very difficult questions. They are not simple, they are very, very difficult questions. The Palestinian question, I believe, is not just a problem for the Palestinians; it is a problem for the world, for all of us to try to work at and with which we can deal.

In this particular crisis, we have indeed missed an opportunity and I believe there was ambiguity. I believe that many people have very many doubts about why that ambiguity existed, whether it was self-serving on the part of one member state.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I am grateful to the member who was on the government side who did not stand up just now although it was the government's turn to debate and to the Liberal member from York South—Weston who was to speak and who let me go ahead because I have some ill children at home.

Despite its very imprecise wording, most Canadians probably think that we are here debating whether our Armed Forces should be an active part of the invasion against Iraq. Given that some of the 1850 of our fellow citizens present in the gulf are already taking an active part in the war that is fully under way, we all pray that it is almost over. We saw last night in the case of the missiles sent to Israel that anything can happen and we all pray that anything will not happen.

I think that many Canadians must think that this debate has become so superseded by events as to have become irrelevant, redundant and ludicrous. The reason that the debate continues, I believe, is that enough of us here feel that somehow as the debate winds and turns and twists with changing events in the war,—and I think we are all very grateful to the hon. member for Calgary Northeast because I believe it was only he who prevented the House from adjourning last night,—but somehow as the debate carries on and turns and rolls, it gives us a chance to keep sitting here as legislators and elected people from all across Canada to continue to debate the dominant issue of our time.

I think many of us feel that we should be here rather than home. We should be here sitting every day, questioning the government during Question Period and somehow try to address our minds to the issue that is dominating Canadians from sea to sea to sea.

Under a House order, I understand that when nobody else gets up in this debate whether tonight, tomorrow morning, Sunday morning or whenever, the debate is over. A vote is to be held only if all three party leaders agree sometime next week.

Whenever it will happen that the three party leaders agree, of course, remains to be seen. On the issue of the vote, I am one of those who thinks that it would not be useful to have a vote on the matter, but it is not my decision to make.

I might put on the record my understanding of what some legislators elsewhere have done since war began among the members of the coalition. I only have a few to bring information on, but the House might be interested to know that the United States Senate voted, as I am sure most members know, 52 to 47 in favour of authorizing the President to go to war before the war began.

A vote held in the last few days—I believe it was yesterday—was 98 to zero in favour of going to war. The House of Commons in Britain remains in session as the war proceeds, and I think that is of interest to all of us. I hope ours will, too, one way or another.

The House of Commons in Britain voted 600 in favour of war and 57 against. I am told that Italy and France have done the same sort of thing with the same sort of numbers, but I do not have the figures. Italy voted yesterday. France also voted.

You may say: "What about Japan and Germany?" Those countries have no forces on duty there, and neither of those Parliaments have held a vote on the issue.

People wonder how Parliament gets involved in the requirements of the National Defence Act and our new Emergencies Act. I am told and I believe that the declaration of a state of war must be done by a proclamation of the Governor-General of Canada. Similarly, the invoking of emergency powers is legally done by cabinet order.

It appears that the cabinet intends to do neither of those. The Solicitor General indicated today he did not foresee, at this point, the Emergencies Act. Is it not all academic now that up to 2,000 planes a day are flying over Iraq? What about the lives of those 1,850 fellow Canadians who are exposed there?

Now that hostilities have begun and we are fully involved, how can any of us vote against this motion if it comes to a vote in the very vague, ambiguous language it is in. Maybe that is a good reason for not having a vote. I know there is a strong difference of opinion on that.

Every member of this House from every seat and every corner of the country wishes all the members of our Armed Forces a safe return to their families and homes in this country. They will have our full and unanimous support now, I hope. If a withdrawal of Canadian personnel were to create greater risk for personnel from the other countries involved, I think they should now stay.

It may be of interest for you to know, Madam Speaker, that opinion against Canada taking an active part in the war was running strongly against in Southeast Edmonton. My calls were about eight to one against having Canada participate actively in the war.

An estimated 2,000 Edmontonians attended a rally near Edmonton City Hall against the war over the last weekend. Thousands of others have demonstrated across the country, including Ottawa.

There was an audience of almost 200 at a conference on children at the University of Alberta last weekend. I asked if they would indicate by a hand vote how many of them favoured Canada participating in this war actively, and not a single person raised his or her hand.

• (1830)

Presumably, one of the reasons why the people at that conference were opposed to it was the sentiment by the Canadian Physicians for the Prevention of Nuclear War that more children than soldiers will die if war breaks out as, of course, it has. I understand that almost half of Iraq's population, because of the Iran-Iraq war and other factors, is now under the age of 15 years and it would appear that the physicians are correct, far more children will die than soldiers.

Those of us in this Chamber who were opposed to the adoption of the unamended motion, before war broke out—I took the motion to read in the context before the multilateral forces could begin war in Iraq—should not fudge on the horrors since August 2 in Saddam Hussein's self-declared 19th province of Kuwait. To the best of my knowledge, the consequences for Kuwaiti citizens and other residents have included more than 500,000 of them fleeing the country. Amnesty International says that Iraqi soldiers have murdered hundreds of unarmed residents and hundreds more have vanished in detention. There are 38 different methods of torture used by the Iraqi occupiers according to Amnesty International. More than 300 premature babies, and I think this has probably bothered Canadians more than anything, are believed to have died when the invaders seized their incubators for shipment to Baghdad. In short, the military followers of Saddam Hussein, in recent months, have forfeited sympathy from people of good-will everywhere. They have violated every principle for which Canada, the United Nations, and public international law have struggled for decades.

Why then was I not able to bring myself to support the use of force against such a madman a few days ago? First, because I think war should come only after there is no further reasonable hope that sanctions will work. Until war began, we could still hope that a full economic embargo and blockade would force Hussein to leave Kuwait completely. I would cite here some of the conclusions in a recent article, co-authored by the highly respected Gary Hufbauer. He writes: "The available evidence indicates that UN sanctions will begin to bite by this coming spring or early summer with a 'high probability of forcing Iraq from Kuwait, as early as the fall'. War might prove quicker but the costs of an attack include the costs probably of thousands of lives", mostly Iraqis, I suspect. Hufbauer went on to say: "Iraq is highly vulnerable to sanctions because of its geography, the nature of its economy and the full, unprecedented co-operation of the sanctioning nations. Specifically, Iraq's only export, as we all know, is oil and that product constitutes nearly half of its GNP. Despite Hussein's exceptionally brutal and complete control of his people, therefore the probability of success of a complete embargo over time", in Hufbauer's view remains over 85 per cent.

Contrary to the view which we have heard much of here, Madam Speaker, that sanctions do not move tyrants, they have been used successfully against ones of many different strips. In the early 1980s, American sanctions contributed to General Jaruzelski's decision to release political prisons and ease regression in Poland. Economic sanctions have also contributed, at least to a limited degree, to the downfalls during the 1960s of Trujillo in the Dominican Republic, Ngo Diem in Vietnam and, during the 1970s, to the fall of Idi Amin in Uganda and Anastasio Samoza in Nicaragua. Mussolini is believed to have confided to Hitler that, had the League of Nations included oil in its sanctions against Italy in 1935-36, he would have been forced to withdraw from Ethiopia within a week.

Finally, a very important issue is that of the United Nations institution and its role in the world today. I believe too many people in the world think that this is a United Nations war; it is not. It is true that the United Nations charter allows the use of force but only as a last resort. In this case, I believe that the Security Council resolution 678 of November 29, 1990, should not have

been passed unless and until the sanctions had been given a reasonable chance to work. Geoffrey Grenville-Wood, the National President of the UN Association in Canada, put it very well, the other day when he said: "It was a bad resolution, bad for the United Nations and bad for world peace".

There are so many possible consequences to the position in which the United Nations now finds itself. For one, instead of using the situation for the United Nations as an opportunity to bring in a permanent policy of isolating and embargoing tyrants and invaders, this will become a precedent for the United Nations using violence, killing children and all kinds of horrors that go with war. As somebody who believes strongly in the United Nations, I am profoundly unahappy that that is what is likely to happen.

I might, Madam Chairman, point out here that the United Nations Association in Canada, which ironically enough seems to be the most vocal critic of the United Nations role in this matter, is an organization to promote the UN. In our country, it is strongly felt that it has become a very effective critic of the United Nations, particularly of the Security Council resolution I just referred to.

This association wrote yesterday to the Secretary of State for External Affairs. I do not know if it is proper for me to quote from the letter. It is addressed to him. He is not here to speak to the matter himself, but let me say in fairness, that the United Nations Association in Canada is profoundly unhappy with what is happening, how it is happening and how the United Nations performed in this matter.

I do not know that there is much more that I wish to say. In conclusion, we are now in a war. I know that my friends in the New Democratic Party think that you can draw a distinction between the less than 10 nations who have already participated in the air attacks on Iraq. They and others in this House, I suspect, do not want Canada to be involved with air attacks on Iraq.

As I indicated in my talk, I am afraid that now that we are into it, as much as many of us in this House—at least on this side—did not want to see war break out, I salute the Leader of the Liberal Party for having withdrawn his position that the Canadian troops should withdraw if an act of war broke out. I do not think now, as much as I said in my speech, it is going to be children and civilians that are going to die in the greatest numbers because of this war.

Mr. Hussein said that they are going to fight to the last child. I understand that as of today his wife and children have been moved out of Iraq. I am sure that the last child to die in Iraq will not be one of his. It is always one of the tragedies of dealing with tyrants of this nature.

I think what it comes to is that if a vote is held on this matter, I will vote for it but subject to the points I already have made.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I guess it is a comment and a question.

I am interested in the hon. member's conclusion. I do respect the sincerity of the member's comments, but obviously the nation of Iraq under the control of the madman we have all heard and seen, Saddam Hussein, has inflicted untold misery on his people over the years. In fact, they tell us that during the eight and a half year struggle with Iran—a war that he inflicted on his own people in a sense—cost the two countries something in the order of one million lives. They tell me that it has been ongoing torture for his own people since 1968 when he took control of that country.

My question is simply this. How do we as an international group, and citizens of the world, like the right hon. member of Quadra said the other day react with to madmen such as this, if it is not through a united effort and indeed, Madam Speaker, through the United Nations?

• (1840)

Mr. Kilgour: Madam Speaker, I thank the member for his question and I know from television last night that he has a son who is engaged in the war and so his position is all the more significant than those of us who do not have children in the war. If I had a son or daughter in the war I guess I would be all the more tormented than I am sure he is. I respect very much the sincerity with which he holds his view.

One point that is probably worth making is that if the west, and there are a number of countries which I do not need to name, had not provided arms, the latest weapons, the uniforms, the jets, the fighters, the bombs, to both sides—as the member I am sure knows, some countries were providing it equally to both sides—during that horrible war, maybe that war would have been suffocated. Some countries in the west have a very direct involvement in that because, in effect, they were stoking the fires.

We should be ashamed of that. I knew a man—he is dead now—who was a Muslim who said to me one day that if the west wanted it could stop that war in three weeks. But we did not, we did nothing as far as I can see. For every one of those people who died in the war some countries in the west have a direct responsibility for that.

Ms. Ethel Blondin (Western Arctic): Madam Speaker, I want to thank my hon. colleague for his very candid remarks. It is a very difficult deliberation that we endure in dealing with this issue.

I would like to ask him, with his experience as a parliamentarian, how much latitude he feels Canada will have in engaging in peace initiatives and engaging in a role as peacemaker and mediator if need be in the whole crisis or perhaps in a post-war scenario. What role will Canada be able to perform or be welcome to perform if we do not cease the kind of rhetorical bravado we engage in in our condemnations? Is that the role that we should continue to play? Should we continue to make our pronouncements so provocative and so inflammatory that it would limit perhaps our opportunity to resume our traditional role of peacemaker and mediator?

Mr. Kilgour: That is an excellent question, Madam Speaker. Another way of saying it is if we win, we lose. What is going to happen to Canada in the region? Assuming that Iraq is beaten quickly there is going to be a turmoil, instability, enormous nationalism, enormous animus against the countries that participated in this coalition. Is Israel going to be better off after this? Is Syria going to take over part of Iraq? Who knows what genii are going to come out of what bottles after this happens, after Mr. Hussein is removed.

I agree that we should tone down the rhetoric. I mentioned before, and I do not know if the hon. member was here, the young person who was beaten on a bus in Ottawa. I have constituents from Iraq and I am sure that most of them came to Canada to get away from Saddam Hussein.

Canada's role is going to be diminished by this in terms of being a peacemaker. Our stature is going to fall in the world. There is no doubt about it. We are going to be seen as being simply the little brother or the little sister of *pax Americanna*. We cannot tell our men and women there now to get out, leave your tents and get on the next plane back to Canada. We would be the laughing stock of the 28 countries in the coalition and of the world if we did that. I guess I can be permitted to mention that the words inscribed on the stone out there by John McCrae from *In Flanders Field*. He happens to be my grandmother's brother and our family hero. He is our biggest family hero, I think. Those words "if you break faith with us who die, we shall not sleep though poppies grow in Flanders Field". How can we live up to John McCrae's wish for Canada if we tell our people now they have to get out?

On the question of whether we can tell them not to take an active part in the raids over Baghdad, and I am inclined as the member knows to think we should not be taking an active part with the CF-18s and that kind of thing. We would be accused of cutting and running now and I am glad the hon. member for Saint-Denis seems to agree.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I have the greatest admiration for my colleague from Edmonton Southeast who has just spoken. I particularly listened to the philosophic point of view that he is able to bring with his wonderful background and knowledge. Frankly, it is Friday night, the Sabbath has fallen and normally I would be with my family having cooked a Sabbath meal and lit the Sabbath candles and said our prayers. I really cannot go today and my family, my husband, my mom and dad will have to manage with their own soup and matzo balls, regretfully is all I can say.

I really feel that this in a sense is where we should be trying to find what the next step, the next move is going to be for the hon. member for Saint-Denis and myself, the hon. member for Mount Royal, into some discussions that are not going to be easy, but hopefully will be fruitful. I certainly say to you in this House and to you, the hon. member for Saint-Denis, that I appreciate and I understand the role and support you give to your Palestinian perspective. I know you will accord me the same right and I think we both respect the rights of all peoples, Israeli and Palestinian, to live in peace and harmony together. I know that he has spoken in that respect in the international arena. As I was standing here and thinking about this, I was wondering—

Mr. Prud'homme: The honourable lady said I understand the feeling of the hon. member for Saint-Denis for the Palestinian. That is a debate. You must understand my feeling for Israel, too, because if I let an hour go by people will say there is one sided Prud'homme versus one-sided lady, and you know I will not accept that. I am a Canadian. I believe in peace and justice for all and in the Middle East peace and justice for all means all! She was with me internationally when I made sure Canadians try with 1,000 international people to vote you know how. If you accept this, you should be complete. Members voting against Iraq for having used gas, I am the one who did that. It is not other members. Be complete but do not put me in this debate with you.

Madam Deputy Speaker: I think it would be wise for hon. members to get into debate as our rules suggest.

• (1850)

As we know, it has been like this all day, nerves are very frayed and emotions run very high.

Mr. Prud'homme: Oh, no, I am very cool.

Madam Deputy Speaker: I will not comment on the hon. member's comment.

Mr. Prud'homme: But I will not let anything go by anymore.

Madam Deputy Speaker: Actually, the period for question and answer is over. I would ask the hon. member for Mount Royal to conclude very quickly, please.

Mrs. Finestone: I had no intention of misquoting my colleague in any way. I was really trying to get from my hon. colleague, the member for Edmonton Southeast, who was speaking if he sensed that same feeling of powerlessness that I feel sitting here tonight at a moment when the whole issue of this debate is redundant. We are at war. Israel is at risk. Those families who should be sitting down to a happy Sabbath dinner are wondering if the bomb is going to fall, when, where and how. I cannot stop it and it is of great concern and I wonder if he feels as powerless as I do?

Madam Deputy Speaker: Rather quickly, please. The hon. member for Edmonton Southeast.

Mr. Kilgour: Madam Speaker, I do. The terrible thing is that it is a high holiday today. Knowing the person who is pushing the buttons to send the missiles, if he has any more mobile Scud missiles, what is he going to do tonight? Is he going to send chemical missiles, if he has any left? It is hard to contemplate that these kinds of things could be going on at the end of the 20th Century.

May I just add before I am cut off that I personally was delighted to see that the member for Saint-Denis, was reaching out, perhaps not in a gentle way, but to try to show that he was not in dispute with the member for Mount Royal. I hope that as time goes by those members will continue to reach out to each other. I salute both of them for doing it. I hope it continues in the future.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, I want to begin by saying that I am pleased to have the opportunity to participate in this debate, although I wish, as other members do, to be very frank, that this debate was not necessary.

It has been a very difficult and very disturbing week for all citizens of the world, for Canadians and certainly for members of Parliament.

I would like to begin by reassuring all Canadians, particularly those from Brandon—Souris whom I have the honour to represent that the decision on this motion is not one which any member of this Parliament, irrespective of party, takes lightly.

I am certain there is no one in this country who wants a war. The reality that as of the other evening that we are again at war, is one which has spawned an obvious sense of mental fatigue and mental depression here on the Hill and elsewhere in the country.

The coming down of the Berlin wall occurred so quickly it was almost an unbelievable achievement. That

led many to conclude and to hope that the type of hostilities which had characterized the earlier parts of the century, the 1930s and the 1940s and since then the cold war, Korea, would not again be necessary. The despair that has resulted from the fact that we are now at war is evident in the House. I think it has been evident today because we have not had our finest moments in this House today, I am sorry to say. It is evident in the faces of members in the House. I sense it in the employees of the Hill when I talk to members of the maintenance staff. I sense it in the faces of the young people who serve the House as Pages.

I would like to note categorically the fact that much of the world is again at war is evidence of failure. It is evidence of our failure as nations and as people to resolve our differences by other means. I think this is a particularly difficult failure for many people to understand, and particularly for young people to understand. Twice during the course of the week there were large groups who came to visit my constituency office. I wanted to say to them that I understand their apprehension with what was then the possibility of war and with the reality of war that is here now.

One of the things I guess that troubles me a little bit about this debate is the fact that to a significant degree those of us who are participating in this debate are perhaps older than we would wish to be, and perhaps we are conscious of our age at a time like this because we are conscious of the fact that chronologically we are not able to represent in a physical sense, particularly those young Canadians who are so concerned.

To them I would say I believe I understand their fears and apprehensions and maybe try to say that I believe that because I too was once young. I remember being very young during World War II, watching with nervousness the events there, even though I was only a child who was well aware of the fact that my uncle was there; he had been wounded and had malaria; and the immense excitement when I found out he was coming home. I remember following the Korean war with a great degree of detail, even though we did not have the communication devices available to us then as we have now.

I think I can understand in that sense the feelings of youth. I would also say that when I approach this debate I am very conscious of the fact that I speak as a father. I am very proud to be able to say that my two daughters are in the gallery watching as I speak.

So to my youthful constituents, I am very sincere when I say that I understand their concerns and I hope that we can prove that we understand their concerns even though we may not always agree.

There is something particularly numbing about this war, due to the fact that it is so vivid before our eyes. As I sat in the lobby this afternoon, I watched live television from Tel Aviv and from Jerusalem, two communities I have had the opportunity to visit. I watched the journalists live as they listened to the sirens, sirens that they could hear and I could hear, thanks to television. I watched them put on the gas masks and then with relief remove them again because the alarms tonight so far at least have proven to be false.

Live television certainly brings us closer to the war than we, as Canadians, would otherwise be. I think we have to be conscious of the fact that, however, while the war seems to be taking place in our living room, we are still distant from it. Fortunately for us we are distant from the grossness that is war and may we always have that privilege of being distant from it.

I am conscious, however, that there are residents of my constituency somewhere in the Middle East, somewhere in the Persian Gulf. Some have been there and came back, having volunteered to go. I am conscious of the fact that I have a constituent in Brandon who has family in Baghdad as of this moment. He, who is from that city, watches with a special fear and awareness as to what the reality of the war may be.

I am also conscious of the fact that although we are devoured by this particular crisis, and indeed it is a crisis of immense proportion, there are other wars occuring in the global community today that we should not forget, even though we tend to do so. I had plans now changed because of the crisis in the Gulf to be visiting part of the horn of Africa next week. There are civil wars in Ethiopia, in Somalia, in Sudan, to name but three as well as famines in those areas which may take many, many lives. In our resolve to deal with the crisis in the Persian Gulf I hope we are reminded of the fact that there are other ongoing conflicts which need our attention, even though we are not inclined to be as conscious of them.

• (1900)

We must also pay some attention to the question, why is this struggle and debate taking place and how should we be responding to it. The key point on which we all agree is that we wish there was no need for war. However, the war to which we refer really began on August 2. The question in many countries of the world, despite what the newspapers may have been telling us these last few days, was not whether or not some nation would commence a war but is how we would respond to a war that began some five or so months ago. That war began for a variety of reasons when the Iraqi forces led by Saddam Hussein invaded Kuwait.

I firmly believe that the real key to world security and peace lies in the principle of collective security. I believe—and I know there are differences on this point within this House—that the principle of collective security has been tested these last few weeks and days. The principle of collective security, as I understand it, requires that all members of that community who are part of that pact respond to those who are in need and to those who are the victims of aggression.

One of our difficulties in Canada these last few days has been the fact that Kuwait is a long way away, that most of us know nothing of this nation which was invaded last summer. I suspect many people had almost forgotten about the invasion, forgotten about the occupation and forgotten about the aggression. The principle of collective security to me suggests that we, as members of the United Nations, or as members of the global community, have a moral responsibility, as well as a military and political responsibility, to respond to those who are the victims of aggression. If we turn the other cheek and ignore this invasion, as some of my constituents have suggested we should, not only do we fail those who live in Kuwait and those who are victims of this aggression, but we would fail the very principle of collective security, we would fail part of the undertakings which we accepted when we joined the United Nations.

As I think about the events which have been unfolding these last few days, I am reminded of my own historical studies. I spent a fair amount of time studying European diplomatic history. Curiously, my masters thesis at the University of Oregon was on British pacifism which was so closely interrelated to the appeasement policies of 1930s. In my mind it was directly related to the outbreak of war in 1939. As I look at this part of history, I cannot help but remember the great future which so many people felt existed for the League of Nations at the end of World War I. They dreamed that we could put together a new world community to help ensure that the holocaust that was World War I would never have to be relived again.

One of the great difficulties of a world organization such as the League of Nations or the United Nations, is the fact that it places upon its members obligations to come to the assistance of others who may be distant or not well understood.

To some degree, it requires a willingness on the part of those nations to give up part of their sovereign decision making powers. When the League was tested, as it was on several different occasions in the 1930s, and when the world community was tested by the aggressions which occurred then, the world community failed to respond.

In our failure to respond to the invasion of Manchuria in 1931, in our inability to respond adequately to the invasion by Mussolini of Abyssinia or Ethiopia in 1935, in our failure to deal with the Hitler of 1936 at the time of the occupation of the Rhineland, or later when he invaded Czechoslovakia in 1938, a serious mistake was made. Not only did those who were making decisions at that time, in my mind, fail their brother nations elsewhere in the world, not only did they fail to respond adequately to the aggression which was occurring, they also failed the very principle of collective security. In doing so, they helped destroy whatever hope remained for the League of Nations.

The tragedy of those several failures was that those aggressor nations clearly were encouraged by the failures of others to respond to their aggression. They concluded in that lack of response that those who would oppose them were weak, and they were encouraged to continue with their aggressive policies. Tragically, the end result was that at a later time and at a much greater cost, the nations of the world had to respond to a Japan, to an Italy and to a Germany.

The cost in human life was immensely greater in the period from 1939 to 1945 than it would have been if the nations of the world had joined together in 1931, 1935, 1936 or even in 1938. I draw a parallel between the

diplomatic challenges of the 1930s and the challenge which faces the world in 1991. In doing so, I am not trying to equate Saddam Hussein, the individual, with the evil that was Adolf Hitler. I am not in the position to draw that parallel, to know whether it is an adequate, accurate or appropriate one.

I think, however, there is a very definite parallel in the challenge facing the members of the United Nations today as there was to the League of Nations in the 1930s. I share the views of others who have suggested there is something bizarre about us here in Parliament debating an issue that has now been out-distanced by events.

I do believe that the issue before us, to a very large degree, is whether or not we are going to provide support to those members of the United Nations—in this case, Kuwait—that have asked for it. Are we going to fulfil what I consider to be our moral obligations to assist a member state in a time of difficulty?

I would prefer, for all sorts of obvious political reasons, that the United Nations flag was flying there in the company of the Canadian flag, but I understand why that is not possible at this time. I would urge members of this House not to dwell on that unduly. Resolution 678 of the United Nations, in which members of the Security Council freely participated, clearly gives us the mandate to proceed as we have. I am satisfied that we are there as part of the United Nations community. I have no difficulty with the question of who is in command.

• (1910)

I am sad, however, that the debate is necessary. I am sad and depressed that there continue to be the Saddam Husseins of this world who, for whatever reason, are determined to make their mark in history at the expense of others. I am sad that they, in their Machiavellian and diabolical manner have concluded that their best military defence is an attempt to bring Israel into a war by the unprovoked attacks which occurred last night.

As others have done, I would like to commend the Israeli government and the Israeli people for the immense discipline and self-restraint which they have demonstrated since then. I do not know, if I were responsible for such a decision, that I would have the will to restrain myself under those circumstances.

I am saddened by the fact that the diplomatic community, the world community, has once again failed. But I believe that there are times in our history, and this is one of them, when we must, given this scenario which has unfolded, respond to certain individuals and to certain communities with force because they seem to know no other language. I had hoped that the massive build-up which has occurred in the Persian Gulf would act as a deterrent to Saddam Hussein. Perhaps it would have to any individual who is more rational than he.

Now that we are there, now that we are at war, my concluding message, and I would hope the message of this Parliament, would be to all who are participating in the Canadian forces, to all who are participating in the forces of the coalition, that we are proud of them. They are willing to serve on our behalf, they are willing to put their lives at risk in support of the traditions and beliefs which are theirs and which are ours. I would hope also that this Parliament would send a very clear message, even though we may disagree on how they got to be there, that we are with them in spirit and in fact. We hope the war which is now taking place will prove to be a very short one and that the cost to human life will be as minimal as it possibly can be. That is my hope, that is my wish.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I listened with attention to the hon. member's speech and I was distressed by parts of it. He is trained as an historian and has worked as an historian and it is perhaps the lack of a sense of history that is one of the great burdens most of us carry today. If I heard him correctly, he made a number of comparisons between Mr. Hussein and Mr. Hitler and then, at the end of about four minutes of his speech, said something to the effect that he was not in a position to say whether the one is like the other. Where I come from, with respect, that is called sophistry. If he is going to make a case that one is indistinguishable from the other, he should have the courage at the end of his arguments to draw that conclusion.

I would ask him if he has read the article that was published widely by Gary Hufbauer and Kimberly Elliott on the question of sanctions. It includes the quote that I referred to in my talk about Benito Mussolini having confided to Hitler that, if the League of Nations had included oil in its sanctions against Italy, he would have been forced to withdraw from Ethiopia in a week.

Lastly, I would ask him why it is that the United Nations Association of Canada, Douglas Roche, our former ambassador for disarmament, and many other people, I think it is fair to say, are quite distressed—a mild word—as to what has been done in terms of sanctions, and what is being done by the United Nations?

Why is it that he thinks that the United Nations Association of Canada, headed by its president, Jeffrey Grenfell Wood, is so concerned about what is happening? I would ask if he would speak to those matters?

Mr. Clark (Brandon—Souris): Madam Speaker, I have two or three points in response.

What I suggested during the course of my remarks was that I saw a very real parallel between the diplomatic challenges that faced the League of Nations in the 1930s and what faces the United Nations and member states in 1990–91.

I said I did not believe I was in a position to determine whether Saddam Hussein had the same type of destructive personality as did Adolf Hitler. The hon. member seemed to be disturbed by that, but perhaps he has a greater knowledge of those two individuals than I do.

I think I understand Adolf Hitler fairly well, having read most of the biographies. I have not read biographies with respect to Saddam Hussein.

With respect to the question of sanctions, as the hon. member knows, sanctions have been employed as a first step in many instances. Sometimes they have been employed as a final step. Their record of success is not as great as we would wish. I see no evidence that sanctions employed to date with respect to Iraq have had an effective impact on the military capacity of the Iraqi government.

Without doubt, there has been a very substantial impact on the citizens of Iraq. If, indeed, that were a democracy, where there was some form of opportunity for expression of public opinion, then the impact of those sanctions on the citizens of Iraq might have been able to have made itself felt through the political system on the Government of Iraq.

But in a society where there is no such democracy, where cabinet ministers have been removed with apparently no evidence whatsoever and executed at the will of Saddam Hussein; where chemical warfare has been used on the citizens of the country, I think there is no opportunity whatsoever for an expression of popular discontent as a result of sanctions to have any kind of political and/or military effect.

I see no evidence that they have succeeded. I see the Iraqi Force, having invaded a sovereign state, having no inclination to withdraw whatsoever.

I see an immense amount of injustice that has been done to a nation and to its people. I am aware, however, of the historical differences which exist in the Middle East with respect to the difficulties of drawing boundaries, et cetera, but irrespective of the fact that there is a history of outstanding difficulties. There is nothing in those difficulties; nothing in my understanding of how nations and people should respond to each other that in any way justifies the actions of the Iraqi government in the invasion of Kuwait.

There is nothing in those difficulties and in the historical problems which have existed that in any way in my mind absolves us as Canadian people, or absolves us as a Canadian government, or absolves us as a Canadian Parliament from accepting what I consider to be our moral obligations; to come to the assistance of that same country—Kuwait.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I am very impressed with the parallels and with the sense of history that the hon. member for Brandon—Souris has, and with his ability to bring that out in his course of debate. I think his credentials speak for themselves in that area of history. It is most interesting to note that his thesis was on the appeasement policy of Britain during previous wars. It was very, very impressive.

• (1920)

One of the things on which I want to question is the point he made that we have been outdistanced by events in this war in relation to the debate that is taking place this evening. Some hon. members yesterday, for example, pointed out that the question is perhaps academic or moot in the sense that we are engaged in war, and why are we debating it?

I feel personally that it is very, very important that we as a Parliament show the same sort of solidarity that has been shown in Britain. I would simply like the member to comment on that sense of solidarity and us being behind the world community in this effort to rid itself of a demon.

Mr. Clark (Brandon—Souris): Madam Speaker, first of all, I want to make it very clear that I accept the fact that there have been and continue to be important differences of opinion on this matter. I impugn no motives whatsoever to those who would differ from the positions which I have expressed.

I believe it is important to make certain that those who are fighting abroad and are prepared to fight abroad, understand very clearly that they are doing something which has the support of the people back home, because if they do not have that support, the most logical question in the world which they will ask themselves is: "why am I here?"

If I may say so, and perhaps I am entering into an area that I should not, I am aware of the fact that the hon. member who has just asked me the question has a son in the military within 80 miles of the Kuwaiti border. I would think that the hon. member's son and those who are there with him need that kind of inner contentment that comes from believing, not only that they are doing something which is right, but that other people believe they are doing something that is right.

On behalf of myself and my colleagues, I would like in a very personal sense to ask if you would convey our message of support to your son.

Mr. John Nunziata (York South—Weston): Madam Speaker, I could not agree more with the hon. member when he says that we have to convey to our troops in the Middle East our unanimous support for their efforts in what they are doing there.

Can I ask the member how that is achieved by a resolution that says that this House reaffirms its support of the United Nations and ending the aggression by Iraq against Kuwait? Would he not agree with me that it would be far more beneficial and far more direct, if his intention is to express support for the troops in the Middle East, to adopt a motion unanimously in this House stating in clear language that that in fact is the case?

Are you asking the troops who are putting their lives on the line in the Middle East to interpret from this particular motion, this redundant motion that was put on the Order Paper before hostilities broke out, to read into this particular motion, a motion that says that we support the United Nations, support for them?

Would he not agree that it would be far more prudent, far more reasonable, if he wants to achieve his objective, to withdraw this particular motion and to replace it with a motion that will have the entire House unanimously show its support for the Canadian troops in the Middle East?

Mr. Clark (Brandon—Souris): Madam Speaker, as you will recall, there was a similar motion placed before this House in November which passed the House but did not have the support of all members and/or all political parties. Those who are there serving in the Canadian forces know why they are there and they in my mind, interpret the failure of this House to support this resolution as a lack of support for their commitment. Having dealt with this motion, other members of the House I am sure, under House rules, are certainly in a position to introduce motions which they would wish to present.

The item before the House which we have been debating for three days and may debate all night is clearly that this House reaffirms its support of the United Nations in ending aggression by Iraq against Kuwait. That is the motion which is before the House as you know well, Madam Speaker, and that is the motion on which hon. members will have to decide whether they will vote yea or nay.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I am very glad to rise in opposition to Government Order 27 which is:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

The NDP caucus and in fact the party through its executive after good discussion has opposed this war and this motion since all of us in the House and outside the House know the motion means authorization of this war and the motion was entered before the war began. Now that Canada is in this war we still oppose it and in fact what is happening deepens our reason for opposing it even more.

This war is already doing serious damage far beyond Baghdad and Iraq through creation of refugees and other disruptions of the economy. There was an attempt last night by Saddam to extend the war further by another unprovoked attack on another nation not partic-

ipating in the war by a missile bombing of Israel. His goal of course was to bring more Arab nations to his side.

So far, thanks to the truly heroic self-control of the government and the people of Israel that move by Saddam has not succeeded. I salute Israel for its courageous patience and I salute the 3,000-year history of its ancestors up until this time in its struggle to live in peace.

There is still a danger that this war can become a renewal of wars that have lasted for centuries; wars between the Arabs and the Muslims on one hand, and between the peoples of European origin on the other, the new crusades as my colleague from Esquimalt—Juan de Fuca has put it. All the more reason then to negotiate an end to this war now; to bring together a conference on peace in the Middle East which the United Nations asked for, particularly to resolve the Arab-Israeli dispute. Canada's struggle is different than Israel's because of its place in the world. However, I believe the same principle of restraint must apply to Canada. I believe that by pursuing this war it is most likely to cause much more harm than good to the people of Kuwait, the people of the Middle East, and to the whole natural world.

Saddam was certainly wrong to invade Kuwait, entirely wrong. Even if he had a legal dispute with Kuwait, which he may, he should have negotiated it or gone to the world court, not start a war.

The U.S.S.R. was also wrong to arm its ally or colleague, Saddam. The U.S.A. was also wrong to sell him arms, to make him its protégé against Iran. France was also wrong to sell him arms. Canada was also wrong to sell components for the U.S. helicopters that were sold to Saddam. President Bush was wrong to signal to Saddam a week before the invasion and, more than that, was wrong to not concern itself, right up to the time of the invasion, with a so-called Arab-Arab border dispute. He was wrong to refuse his congressional committee's recommendation at that time in July for sanctions to be imposed to stop Saddam.

• (1930)

However, our nations have contributed to the creating of Saddam, the brutal invader. There was an attempt to use sanctions to deprive Saddam of the revenue and the material means to maintain his war. Sanctions were starting to do that, cutting off 97 per cent of his revenue. After the U.S. election, the U.S. doubled its military in the gulf and carried on some commercial deals with some of the other countries concerned. The momentum for war became unstoppable. Now the war is on. Many Canadians still oppose this war, many of all ages, who are not in this House.

Yesterday, the major churches of Canada issued statements on this war. For example, the Most Reverend Michael Peers, leader of Canada's Anglicans, has rejected the notion that war in the gulf is justified. He said yesterday:

> It is beyond dispute that Saddam Hussein's invasion of Kuwait, in flagrant violation of international law and with its foul atrocities against the Kuwaiti people, is unacceptable and contemptible. Nevertheless, the decision of the Canadian government to commit our forces to war and the call today from Canadian politicians to close ranks and support the war effort is deeply problematic. There are issues here upon which religious leaders have a duty to comment.

He proceeds then to list the traditional Christian criteria, the six principles of a just war, and to measure the present war by their standards. He concludes:

> This war in the Persian Gulf does not meet the tests provided by Christian tradition for a morally justifiable engagement at this stage. The Prime Minister has commented that Canadian participation in combat roles in this conflict is both reasonable and moral. I reject his sentiments and his reasoning—. I call upon all Canadians of good will to pursue all efforts to bring about peace and the cessation of this destruction.

Madam Speaker, he has found the war lacking on those grounds.

So does the General Secretary of the Canadian Council of Churches, Dr. Stuart E. Brown, in a statement endorsed by the heads of the Evangelical Lutheran Church in Canada and the Canadian Conference of Catholic Bishops, the Primate of the Anglican Church of Canada, the Moderator of the United Church of Canada and the Moderator of the Presbyterian Church in Canada. The statement says in part:

> War cannot resolve the Gulf Crisis. We call on Canada to work urgently at the United Nations to dissuade the Security Council from authorizing the use of force, either to try to expel Iraq from Kuwait, or to depose Saddam Hussein's government in Iraq. We urge Canada to work through the United Nations in support of economic and diplomatic measures toward peace and justice for all people in the Middle East—.

> The most effective instrument with which to register the unacceptable character of this invasion of Kuwait is economic sanctions—.
>
> This is not the time for ultimata; rather it is the time to search for non-military solutions, even if that means compromise and a less-than-ideal resolution. War will most certainly not produce an ideal solution.

I quote also from a letter today sent to the Prime Minister from *Monsignor* Robert Lebel, Bishop of Valleyfield and President of the Canadian Conference of Catholic Bishops, with copies to the leader of the Liberal Party and the leader of the New Democratic Party. Referring to the bombing of Israel by Iraq last night, he says in part:

> This latest act of Iraqi aggression is not sufficient justification for Canada to escalate its participation in the military conflict.

He said he had heard it was being considered in the cabinet.

He continues:

> We maintain that this is a war that should never have been started. Economic sanctions coupled with diplomatic efforts by the international community were simply not given the time required to be effective.

He calls on the Prime Minister and the Canadian government to do three things:

> (a) refrain from any further military involvement by Canada in the Persian Gulf War;
>
> (b) urge the UN Security Council to initiate steps for a cease-fire and a resumption of negotiations for a peaceful settlement;
>
> (c) concentrate energies in developing an international plan of action for humanitarian aid and assistance regarding all affected countries in the Middle East.

Here is a statement by the Right Reverend Dr. Walter Farquharson, Moderator of the United Church of Canada:

> We deplore the bombing of Baghdad and the claim that it was a success. It is, in fact, a tragic failure, even as the invasion of Kuwait by the Iraqi forces was a failure—.
>
> We reject the claims of our leaders that there were no alternatives. We remain committed to the principles of a just world order and to the United Nations, but in light of modern warfare and the technological changes in weaponry, we are convinced that ultimately world order is only effectively pursued by non-military means.
>
> Human beings are capable of creating terrible weapons and of wreaking unthinkable destruction. They are also capable of resolving their conflicts, reconciling with enemies, and healing wounds. They must take responsibility for the good or evil effects of their actions.
>
> In the wake of these terrible events, we implore the leaders of all countries to draw back from inflicting even greater destruction on the people of the Gulf region and from placing our own relatives serving in the Gulf in greater danger—.
>
> We commit ourselves before God to the dreadful but sacred task of laying on healing hands for all who have been wounded in these terrible events. We have no other choice because we believe God's intention for all of us is the lowering of every clenched fist and the healing of every wounded nation.

We of the NDP opposed this war before the bombing of Baghdad, and we oppose it now. We say to pull back our troops out of the theatre of war and find better peacemaking roles for them; to plan with the United Nations members for a peace conference, including an Arab-Israeli one; and to start now helping to provide urgent medical, food and other help to the refugees and displaced persons of this war.

As my final comment, Madam Speaker, some have suggested that a stand such as my party's is too partisan and partisan at an inappropriate time. I say no, it is not partisan.

I have been working for peace since the late 1940s. It was the result of my experience in World War II, in which I had to ask myself how we got into the fix in which Christians considered it their duty to God as well as to the king to kill Christians. How did we get ourselves into that fix? I came to the conclusion that it arose principally from the economic conflicts between countries, which need to be moderated before they break out in war.

I was active in the peace movement for 10 years before I joined the CCF-NDP. I would not have joined if I did not judge it to be a parliamentary party committed to peace. I continued active in the peace movement.

• (1940)

I was very happy to represent my party yesterday afternoon at a rally of about 2,000 people in downtown Toronto opposing the war. I believe the movement is growing.

We are not taking this stand against the war to distance ourselves from the government, with the idea of advantage in the next election. We are taking this stand as

Canadians. Many of us are taking this stand on the basis of our religious convictions, which I, for one, held before I became a socialist and continue to hold and continue to practise. We are taking this stand as loyal Canadians trying to serve the best interests of the Canadian people and as citizens of the world, believing that in the best interests of all the peoples of the world, now and in the future, the thing to do is to end this war. We are saying to stop the war now and do all that is possible and necessary, along with other countries, to build peace now.

Mr. Don Boudria (Glengarry—Prescott—Russell): I have listened to the comments from our colleague and I have had many occasions to speak with him in the past about his feelings on such issues. I can understand his feelings and sympathize with them a lot. I know that our colleague is a man of the cloth and he has very strong feelings on issues involving peace. I congratulate him for those. I do not always agree with him on his views, but I think Parliament needs someone who has that kind of a view to constantly remind us of the importance of peace. I want to tell him that even on those occasions, albeit rare, when I do not totally agree with him, he is nevertheless a conscience for this House in those issues. Again, I congratulate him.

I want to get to a specific point with regard to what is happening today. In my opinion, we are discussing a motion that I believe was wrong when it was presented to this House. It is not what the government wanted as an answer. The government really recalled Parliament to find out whether or not Parliament would agree to a Canadian participation in a war effort, should there be one.

I would have disagreed with that proposition; I would have voted against it. I still think it is the question that should have been put. Nevertheless, that being said, it would be redundant now anyway. Would our colleague not agree with me that the motion we have before us was the wrong motion to put to start with? Even if he does not agree with that proposition—although I think he does—it is redundant in any case. There is absolutely no meaning in discussing today whether or not we agree or disagree with resolution 678 of the United Nations, once it has been placed into full force, including the military component of it. This is just slightly worse than redundant. Could he comment on that, please?

Mr. Heap: I thank the hon. member for his encouraging remarks and for a very pertinent question. Yes, the resolution was a wrong resolution because it was clearly asking for an answer to a question it does not state. It stated a motherhood question: whether we want to support the UN in stopping aggression. Of course we do. But this was not the issue. As the member has quite rightly said, the issue was whether we support war as the means chosen by the United States and others within the United Nations.

It reflects the point that has been made by some previous speakers as to the methods used by the United States to win certain allies to its cause, including the fact that Canada—or rather the Prime Minister—as a reward for loyal support in war, now seems assured of a seat in the Mexico trade talks.

There are other deals with other countries.

On the question of withdrawing the resolution to find a better one, I would say by all means the government should withdraw it. If it wants to put one in that would ask for support in the war, I would oppose that.

If it wants to put one in that divides the questions and says whether we support the war, the decision of the politicians to make war, or whether we oppose the decision of the politicians to make war, we still give all support we can to those individual men and women who under orders, having trained and become competent in their work, are risking their lives to carry out this government's orders. I would certainly continue to support those men and women, but I do not support the war to which this government has sent them.

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, I listened very carefully and attentively to my colleague's speech and I want to tell him that I too put a great deal of faith in peace and do not like, and indeed dislike, war and states of war.

Every now and then, he mentioned that his speech was not partisan and that his decision was dictated much more by his conscience. I respect that, because I think that it should be taken for granted that each of us has to live with his or her conscience and is allowed, in this country, to make decisions according to it.

Unfortunately, Madam Speaker, when responding to my colleague from Glengarry—Prescott—Russell, he could not refrain from playing politics and showing his anti-American bias. I did not expect that from him and it clashed with the general tone of his speech.

I cannot help but wonder why, after making an excellent speech, and convincing at that, my colleague apparently was unable to set aside his partisanship while dealing with the critical situation presently facing Canada and particularly the people who are in the gulf.

[*English*]

Mr. Heap: Madam Speaker, the hon. member may be right. In fact, I have rewritten my speech several times, or replanned it and rewritten it entirely once in order to make the point that I made in the speech.

Speaking more extemporary, yes, I did take a swipe at the activities of the President of the United States. I entirely believe in what I have said, but if the hon. member feels that I have spoiled a good effect of my earlier speech, then it is quite possible that he was right.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I am amazed when some of the opposition members and members of the New Democratic Party refer to the resolution and the motion in question. It reads:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

If they were to read the motion, it would be clearly understood. The member knows full well that this House voted on the original motion on November 29. That vote was won, with two to one in favour of the motion. It is simply reaffirming our support for the United Nations.

If we are indeed a citizen of the world, what does he expect us to do? Are we to back away from the United Nations or not act collectively with the rest of the world against Saddam Hussein, which basically is what it comes down to? It is the rest of the world, with the exception of a few, versus Saddam Hussein. Do we remove ourselves from international responsibility? Do we remove ourselves from a sense of collective responsibility? That is the question that I ask of the member.

• (1950)

Mr. Heap: Madam Speaker, I must say that the member who questioned me appears to be confused about the meaning of the resolution. Paragraph 2 of the demands says that the United Nations authorizes member states co-operating with the Government of Kuwait to use all necessary means to uphold and implement resolution 666 and all subsequent relevant resolutions and restore international peace and security in the area.

It does not say that we have to go to war to do that. It does not say that. It is this government, of which the hon. member is a supporter, that interprets that as saying we go to war.

There are two major faults with that use—or abuse, I would say—of the UN resolution. First of all, the UN resolution did not say that it is time now—

An hon. member: Oh, oh.

Mr. Heap: Madam Speaker, I did not interrupt the hon. member. They did not give any report. There was no report from the monitoring committee on sanctions. They did not resolve the question of the effectiveness of sanctions; they simply left it vague. That was a very faulty resolution. But as it stands, it does not order us, or even ask us, to go to war.

Second, if it did intend, without saying it, that we should go to war, it did not provide any democratically controlled United Nations command. There was no authority of the United Nations. It is not a matter of whether there is a blue flag. It is not a matter of whether the American general is to be called the United Nations general. It is a matter of whether the action is under the authority of the United Nations and under the control of the United Nations. It is a matter of when the United Nations will say when to stop. What this does is to encourage any member who says he is co-operating with Kuwait to do anything that he thinks he might do and claim the United Nations justification.

That is a fraud, Madam Speaker.

[*Editor's Note: For continuation of proceedings see Volume C.*]

HOUSE OF COMMONS

Thursday, January 17, 1991

[*Editor's Note: Continuation of proceedings from Volume B.*]

Mr. John Nunziata (York South—Weston): Madam Speaker, I have been a member of this House for approximately six and a half years, and by far this is the most important and most serious matter that has been considered, in my view, in this House in the last six and a half years.

As I speak here tonight, my country, your country—our country—is at war. I do not believe that Canadians fully comprehend and have come to grips with what it means to be at war today.

We are not debating a resolution; we are discussing the fact that Canada is at war. The resolution before this House—and I would like to read it for the record—reads:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

This particular resolution was put on the Order Paper before war broke out. A lot has happened in the last few days. It has been a most remarkable week, a week that many people will never forget in all their lives.

This Parliament was reconvened on Monday because Tuesday happened to be January 15, the artificial deadline that was imposed, after which the United States and other member states of the United Nations had the authority to use whatever means necessary.

There was a meeting a few days before between Secretary of State of the United States, James Baker, and Foreign Minister Tariq Aziz of Iraq. As we know, those talks did not produce a peace, and a few days later the Secretary-General of the United Nations tried one last time to convince Saddam Hussein to quit Kuwait. It is academic now, the whole question of whether we should have been called back earlier. This House started its discussion on Tuesday. We debated throughout the day. The deadline came and went on midnight a few days ago, January 15. On Wednesday night this House was in session and debating this particular resolution, and the bombs started to fall on Baghdad, the bombs started to fall in Kuwait and Iraq.

Following that initial bombardment the night of January 16, the stock market went up and the price of oil went down. All the economic indicators went in the complete opposite direction than the experts predicted. There was a sense of satisfaction in the United States of America, and indeed throughout the world, that somehow that particular bombardment, that particular military operation at the beginning of the war, was successful. People were talking about a quick resolution, a quick ending to this particular war.

But just last night, once again there was horror in the Middle East, this time in Israel. Scud missiles were launched from Iraq, an unprovoked attack on a non-participating country in the Middle East. It was clear what Saddam Hussein was trying to do, but the Israelis—the people of Jerusalem, Tel Aviv and Haifa—had to suffer through the unspeakable horror of the possibility of a chemical attack, chemical warheads on those Scud missiles. We thank the Lord that chemical warheads were not used. We thank the Lord that casualties were not more severe.

Those people who were so positive on the night of January 16 became a little more pessimistic on the night of January 17 because the so-called dogs of war were unleashed. We went to bed last night not knowing whether there would be a Middle East today. We did not know whether Israel would retaliate as a result of the unprovoked attack. We are grateful that Israel has shown so much restraint so far in this particular case that it has not embroiled itself in the conflict as well.

As we speak in the comfort of the House of Commons in Ottawa at almost eight o'clock in the evening, I must make the point that there are millions of people in Israel and in Iraq who are absolutely, utterly, and completely terrified. Picture for a moment the many Canadians who are sitting tonight in the comfort of their own homes or

in safe places somewhere in Canada, but think of the millions of people in Israel, in Iraq, in Jordan, in Saudi Arabia, and in Kuwait who do not know what is happening. The people in Iraq are hearing the bombs. They are hearing anti-aircraft fire being returned. Think of our children. Think of all the children who are listening to what is happening. This unspeakable horror that is taking place will be forever etched on their minds.

On Monday we saw the deadline. On Tuesday we saw the bombing of Baghdad. On Thursday night we saw the bombing of Tel Aviv, Jerusalem, and Haifa. What is happening tonight in the Middle East? What is going to happen tomorrow night? When will this war end?

I think it important that we step back for a moment and ask ourselves why.

• (2000)

Hon. members opposite say there is a good reason why our country and other countries are involved in this brutal, hideous war. They say there is an international principle, that an aggressor must not be rewarded.

Madam Speaker, do you really believe that the thousands upon thousands of people who have already lost their lives as a result of the bombardment really care about any international principle concerning aggression? Do you think the millions of people who are suffering and will suffer really care? Members opposite and others argue that war was necessary in order to stop what Saddam Hussein was doing in Kuwait. He was plundering and raping the country. Civil rights were being denied and people were being brutalized. Yes, they were. We know they were. Cases have been documented.

What could be worse than the constant bombardment? Tune in to CNN and watch the satisfaction when the briefings are given at the Pentagon that there are 1,000 or 2,000 sorties a day. What does it mean? What does a sortie mean? It is not a pleasant walk in some pleasant park under pleasant sunshine. A sortie means a bomber, whether it is an F-14 or an F-17 or an F-18 with hundreds of pounds of explosives that are being dropped. Yes, on military targets or strategic targets. Knock out command and control, knock out the Scud missiles, the mobile launchers. Only 80 per cent are successful. What effect is it having on human lives? What scars are being left on those who will survive this particular war?

All too often over the last number of days during this particular debate and before, people seemed to have almost forgotten the cost of war in human terms and what it all means. They have not asked themselves why Americans, Canadians and British are involved in this particular war. Why are we on the eve of destruction? The implications of what is happening are far-reaching because the Americans say that Saddam Hussein must not be rewarded. The aggressor cannot be rewarded and he must be removed from Kuwait.

I understand why millions of lives were lost in World War I, the war to end all wars. Unfortunately, it did not. Many millions of lives were lost in World War II and Hitler came close to defeating the British.

I had the opportunity during the summer to travel through France and to visit some of the sites of some major battles of World Wars I and II. I walked for hours along the beaches at Dunkirk. I walked for hours along the beaches at Dover and I was reminded of what happened there 45 years before. The principle they were fighting for was democracy and freedom. It was something people could understand. They knew why people were fighting. But try to explain to your children that Canada is at war because there is some international principle which says an aggressor must not be rewarded.

I agree an aggressor should not be rewarded. But is war the answer? Is it the answer to send out 1,000 or 2,000 sorties every day, constant bombardment? Is the answer Scud missiles landing in Israel? Is the answer the fall of King Hussein of Jordan? Is the answer Syria joining forces with the Iraqis? War is the answer Iran joining forces with the Iraqis? War is not the answer, but we are involved in the war. We are there whether we like it or not. Canadian troops are there and we pray to God that it will not be necessary for Canadian troops to be involved in a direct way in hostilities there. We pray to God that the war will end as quickly as possible, but in my view, it was so unnecessary.

In the Second World War those who were alive then, and those like myself who were not but who read about it, knew who the enemy was. We knew; they spoke about the enemy. As I was preparing for my remarks, I was asking myself who is the enemy in this particular war? As I was brought up, I was taught that usually there is an enemy that you shoot at in order to kill and destroy. Are the Iraqi people the enemy in this war? Of course they

are not, but Canada is at war with Iraq. The enemy is not the people of Iraq, the innocent men and women. Perhaps the military and the army—the roughly 500,000 troops—are not the enemy. The enemy is Saddam Hussein. He is the person, the one individual who has caused all this. Should we be involved in a war that might take the lives of millions of people, that will scar the psychology, the psyche of millions of others around the world? Should we be at war? I think not, Madam Speaker. We ought not to be involved in this war.

The United States is the main combatant on the part of the allies. We know the reason why the world is at war tonight. It is not to remove Saddam Hussein from Kuwait. The reason that the world is at war is to remove Saddam Hussein period, to eliminate, to destroy Saddam Hussein in order that he no longer can be the leader of Iraq. The reason why the world is at war is to eliminate the threat that Saddam Hussein, the Iraqi threat. What are the consequences as a result? Who are the casualties? What are the casualties? We know what the devastating economic impact will be. We know that human suffering and human destruction will be immense. What about in the long term once this war is over, whether it is over in the next few days, weeks, months or the next few years? What will the world be like after the shooting stops? Will the entire problem be resolved? Will the world be safe and peaceful afterwards? Will the world be safe from other Saddam Husseins? Will there be others? I think there will be. Once the shooting stops the problems will only begin as a result of the war that we find ourselves embroiled in.

War was not the answer. Economic sanctions were not given the opportunity. Economic sanctions were working. It was not proven to us, it was not proven to the world that economic sanctions were not working. The onus was on those who wanted war to prove that economic sanctions were not working. The fact is that the evidence is overwhelming; whereas diplomacy may not have been working over the last number of weeks, over the last number of months, sanctions were in fact working.

I would like to cite a speech that was given by Senator George Mitchell just last week when the United States was debating in Congress whether or not George Bush should be given the authority to go to war. We all know that the vote was close both in the Senate and in the House of Representatives. Senator Mitchell said, and I quote:

> War carries with it great costs and high risk. An unknown number of casualties and deaths; billions of dollars spent; a greatly disrupted oil supply and oil price increases; a war possibly widened to include Israel,—

• (2010)

We know that he was right.

> —Turkey or other allies; the possible long-term American occupation of Iraq; increased instability in the Persian Gulf region; long-lasting Arab enmity against the United States; a possible return to isolationism at home.
>
> The grave decision for war is being made prematurely.

These words were spoken before the United States embarked on its campaign, as it referred to it. He went on to document what went on in the United States in the weeks preceding the decision to go to war when Mr. Bush said these sanctions were working. Secretary of State Baker said these sanctions were working. The head of the CIA director William Webster said that sanctions were working. He pointed out that more than 90 per cent of Iraq's imports and 97 per cent of its exports had been stopped. He documented in very clear terms how sanctions were working yet they were not given an opportunity. Instead, the United States decided that war was necessary.

We do not know where this will all end. We do not know what the final result will be. I note that my time is nearly expired. I had much more to say but let me conclude by saying that and I my party support the Canadian troops that are there in the Middle East. We hope and pray that this war will end as quickly as possible and that our troops can come home to their families in a safe fashion. We also hope and pray that Canada will play a major and leading role in developing and working toward a long and lasting peace, as difficult as that will be, after the hostilities stop. We hope that our country will still be in a position to work toward a long and lasting peace in the Middle East, a recognition that there are many people who have differences there, that the Palestinians are entitled to a homeland of their own, and a recognition of their rights, that Israelis have a right as well to be safe in their nation. Answers must be found, and I am convinced that Canada can play that role in the future.

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Madam Speaker, my friend who just finished says that we should withdraw the present motion supporting the UN resolution and then goes on to say: "But we support our troops". What he is saying is that we do not support what is happening in the

Middle East, that the troops should not be there, but we support them in what he would term an illegal or an unwanted act, one with which he would not agree.

I would point out that his leader said we should support the United Nations up to a certain point, but when they fire a shot then we should pull out. These people on the other side have to make up their minds; they must support the sanctions of the United Nations, of the multinational force of which our troops are a part, because if they do not support that, how can they support the troops in an action that they do not support? It does not make sense.

Mr. Nunziata: Madam Speaker, there is no sense in what the hon. member said and it is very difficult to make any sense for him. The hon. member has just displayed the pettiness that we have seen day in and day out coming from that side of the House of Commons and, in particular, from the Secretary of State for External Affairs. Of course, we support the troops.

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): I know that that member many times breaks the rules of this House. He just accused me of motives that I do not have and I did not have when I rose in this House and asked my question. I asked a question, I asked a very clear question; I asked him if he could explain that. He then impugned the motives that I was using to do this and that is against all regulations in this House.

Madam Deputy Speaker: It would be appreciated if nobody would impugn motives and we would answer questions and debate this very serious question without getting into unpleasant situations again. The hon. member for York South—Weston.

Mr. Nunziata: The hon. member suggests that it is inconsistent to be opposed to Canada participating in the war taking place and to support the troops after war has broken out. We know that in the United States the vote was very close in the U.S. Congress. It was very close, but once the decision was taken, once that country went to war, the entire Congress fell behind the American troops in the Middle East.

I believe that here as well in the House of Commons we had our differences in principle as to whether or not Canada should participate, whether or not war was the answer or war is the answer, but surely every last member in this House, indeed every last Canadian, should show support for the men and women in the Canadian Armed Forces who are putting their lives on the line in the Middle East as we speak here tonight. I do not believe there is anything inconsistent in those positions.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Madam Speaker, I thank the hon. member for giving us this account of the Middle East issue and demontrating that we are indeed—of course, that goes without saying—supportive of our troops in the present circumstances.

However, to say at the same time that if we do not approve of the sanctions, it means that we do not support our troops, that is absolutely ridiculous.

Considering that almost half of the United States Senate—and they are involved—recommended that the sanctions be exhausted before taking military action, I put this question to the hon. member: Had sanctions been workable up to the last minute, does he believe that the risk of loss of lives would have existed anyway?

[*English*]

Mr. Nunziata: With all the certainty I can command, I believe that if sanctions were given a chance, sanctions ultimately would work. Members of the Senate in the United States and of the House of Representatives made the case very clearly. I would like to quote just very briefly from the speech of Senator Edward Kennedy of Massachusetts. He said, before hostilities broke out on Tuesday evening, before the United States went to war, and I quote: "Sanctions have not failed and no one can prove they have. They still have a good chance of achieving our objectives in the Gulf. Saddam Hussein is paying a heavy price for his aggression: 95 per cent to 90 per cent of his oil exports have been shut down. Iraq's

economy has been cut nearly in half. Saddam has no foreign exchange to prime his war machine. A trickle of consumer goods may be slipping through, but Saddam cannot run his country or his war machine on that."

The evidence was overwhelming that if given the opportunity, sanctions would have worked. Hundreds of thousands of lives could have been saved if the United States showed the restraint that it is asking Israel today to show in order to try to contain the conflict there. If the Americans showed restraint and allowed sanctions to work, hundreds of thousands and perhaps millions of lives could have been saved.

• (2020)

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I quote from *Hansard* January 16, 1991, page 17133:

> Nobody pushes the United Nations around, not even the United States. No one nation, especially not the United States, is able to impose marching orders on that institution.
>
> No, this is not an American adventure. It is a United Nations action in collective security, one of the greatest historic developments of our time—

I am quoting the former leader of his party, the former Prime Minister of Canada, the right hon. member for Vancouver Quadra. It is amazing to me that an individual can fly in the face of a former Prime Minister, whom he supported and for whom he has all kinds of respect. It is simply amazing.

Before I finish, I do want the member to respond to that comment. There is a very important distinction between what happened in the United States House of Representatives and what is happening here. Certainly there is disagreement in this House and there is disagreement in the U.S. Congress. No one questions it because this is what this forum is all about. None of us questions it; in all sincerity, none of us.

The difference is simply this. The hon. member mentions that he is behind our troops, despite the differences we have had over this particular issue and the motion before us. He is behind the troops. The difference between that party and the individual senators and congressmen in the United States who had differing opinions is simply this: not only are they behind their troops, but also they are behind their President.

This is something on which I would like a clear distinction. I think they have a responsibility to be behind the Prime Minister, the minister of defence and the Government of Canada. That is a very clear distinction. They can hide all they wish behind that sentence or that little phrase they like to use that they are behind the troops.

I think, they have to be behind the Canadian people, the Government of Canada and, indeed, our Prime Minister.

Mr. Nunziata: Madam Speaker, the member is asking the impossible. He is asking me to join the 12 per cent of Canadians who are behind the Prime Minister of Canada. It is ludicrous to suggest we ought to get behind the Prime Minister and thereby show support for our troops.

When I say showing support, I do not mean by some vague resolution that says this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait. That is not showing support.

If the hon. member wanted to show support for the Canadian troops in the Middle East, then why does he not convince his House leader and his Prime Minister to bring forward a resolution that says very specifically, "therefore be it resolved that this House of Commons fully supports the Canadian men and women in the armed services who are currently serving in the Middle East"? We would be more than happy to lend our complete and unanimous endorsation to that particular resolution.

We are not simply using rhetoric when we talk about supporting our troops. The troops should be supported in every way possible, whether it is with military equipment or whatever. What is important in our view is that there be a clear and unequivocal resolution coming from this House indicating support for them. I know he agrees with me, so he should start talking to his House leader to put forward an honest resolution in this House.

Madam Deputy Speaker: In resuming debate, I will be recognizing the hon. member for Haldimand—Norfolk. I would like to make sure that the hon. gentleman is still sharing his time with the member for Ottawa—Vanier.

Mr. Bob Speller (Haldimand—Norfolk): I, like many others in this House, had prepared myself for days to speak in this Chamber on behalf of the Canadians I was elected to represent, the people of Haldimand—Norfolk, on the reasons why Canada should not resort to war at this time.

But many things have changed in the last 48 hours. The allied armies have sent thousands of bombs into Iraq. Saddam Hussein has bombed Israel. Israel has shown courage and goodness in its restraint.

Our nation is now actively involved in war against Iraq. Canadians are torn between a war they did not want and a desire, now that this country has gone to war, to support our soldiers and our allies.

The decision has been made to commit Canada force, and we now know it was made long before many of the members in this House were given an opportunity to address and vote on the issue. In fact, it is safe to say that fewer than one-tenth of the members in this House were given any influence whatsoever on Canada's decision to abandon sanctions and go to war.

We in Canada are, of course, proud of our democratic traditions. We know that these democratic traditions must be respected if we are to survive. Yet this government declared war, bit by bit, although more than 90 per cent of the members of this House, and thus Canadians, had been left completely in the dark.

Canadians are alienated from the political process, and their mistrust and cynicism grow unabated. If we continue to disapprove of Saddam Hussein, the dictator, as he is so often called, then we had better remember quickly where the power comes from in our country. It comes from the people; not just the war cabinet, not just the top bureaucrats, but the people.

I spent the last several months talking with people in my riding of Haldimand—Norfolk. I have received many calls throughout the last few weeks. One was from Leon and Susan Hudecki, who are totally against troops in the gulf. They asked, "Sanctions were working, so why is war necessary?"

There was another one from Sue Stevenson of Waterford, who said, "Sanctions should be extended. Peacekeeping is okay. We do not want war. We need further negotiations. Keep negotiating, please".

Here is another one from Ron Machelli of Tillsonburg who says: yes to war. He is concerned because Hussein is close to having nuclear power.

Madam Speaker, as you can see, there are differences of opinion across this country on this issue. Among these people, there were generally three camps. There were those who felt that Saddam Hussein was a madman impervious to the reason of economic sanctions. He had rolled into the sovereign state of Kuwait. His soldiers had raped, maimed and murdered. We as Canadians had a moral obligation to join with other countries to get him out of there, and the quicker the better.

There were those who said that no circumstances justify Canadian involvement in war. I respect their view and I am saddened to have to tell them that we, the politicians of this world, have failed. We have failed to engage this new world order. The optimism that sprang from the destruction of the Berlin wall has faltered.

There were those, the greatest in number, who said that sanctions are still working. They asked why this government had done an about-face; it now has no support for sanctions and instead wants to support war.

That was a question I could not answer, because the government has yet to provide a reasonable explanation of its contention that sanctions were not good enough and that force could not wait. In fact, the evidence is to the contrary.

It may seem to some as a little too late to express regret and concern over the abandonment of sanctions and the resort to force. But I believe it is important to take a few moments and attempt to give a voice to the struggle Canadians face as to whether or not Canada should be at war.

In September, U.S. President Bush told a joint session of Congress:

> These sanctions are working. Iraq is feeling the heat. . .Iraq's leaders. . .are cut off from the world, unable to sell their oil, and only a tiny fraction of goods are getting through.

• (2030)

In October, U.S. Secretary of State Baker said that sanctions are fulfilling the role as planned. Just one month later, CIA Director William Webster said:

> All sectors of the Iraqi economy are feeling the pinch of sanctions, and many industries have shut down.

Figures put the loss to Iraqi imports at 90 per cent and the loss to Iraqi exports at 97 per cent. Sanctions have shut them down. The flow of spare parts and military supplies from the Soviet Union and France, Iraq's major suppliers, has stopped. Iraq's foreign exchange reserves

have diminished drastically, rendering it virtually impossible to purchase foreign goods in defying these sanctions.

Let the government make no mistake: the Canadian public has major reservations about this war. Canadians want to be heard on this issue, and they want their elected officials to represent them in any decision of our forces in the gulf. This government has an obligation to the people of this country to consult them throughout this matter.

For eight weeks following Iraq's invasion of Kuwait, this government refused to recall Parliament. It showed no interest in consulting the opposition on the formulation of an all-party position in this matter. Many people in Haldimand—Norfolk have expressed great concern and loyalty to the United Nations. I therefore think it is important that I try to correct some of the confusion surrounding its role.

I found it somewhat ironic that, despite this government's contention that it had United Nations sanction, the Secretary-General of the United Nations, Javier Perez de Cuellar, knew nothing of the attack on January 16. We should remember that this is a U.S.-sanctioned war. The distinction may on surface seem to be academic, but it is not. None of the forces currently engaged in the Middle East are taking their orders from the United Nations Council, but instead from a U.S. general.

Canadians mourn the abandonment of Canada's role as a peacekeeper. Our belief in the supremacy of dialogue and our confidence in the potential for negotiation have earned us not only international respect, which far outweighs our size or our economic power, but also has given us national pride and national identity.

Now Canadians are asking themselves: Who are we? What is our role in the world and what role do we play in this conflict? Has our resort to force compromised our peacekeeping role. May it still be needed?

Many of those with whom I have spoken in my riding are now torn. I feel confident that I speak for most of them when I say that we cannot turn our backs on our troops, no matter how much we regret the order to send them to war. Our soldiers must know that we respect their dedication and loyalty, that we pray for their safety, that we will provide necessary equipment for them to fulfil their duties, and that their families have our support and our gratitude.

We must commit ourselves here in this Chamber to doing the greatest thing we can for our soldiers, which is to pursue peace, to using our international prestige to find a solution, and to rediscovering national traits we once used well in the name of peace: tolerance, the desire to listen, the ability to communicate and respect for human dignity.

The end to this war may well come from the military, but the solution can come only from diplomacy. Canada must put itself in the front lines in finding the solution.

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, there are numerous references to dialogue and negotiation in my hon. colleague's speech. He feels Canada should have perservered along that line.

I want to remind him, first, that it takes at least two sides to have a dialogue and that, way back then, Saddam Hussein refused to take part in a dialogue.

Second, negotiation also calls for two sides who are willing to negotiate. Now, Saddam Hussein refused to negotiate until the last minute. He even came very close to refusing to see the Secretary-General of the United Nations.

How can he say that Canada should not have got involved in such action, that it should withdraw its support to the UN and keep negotiating, when it has been established that Saddam Hussein did not want to negociate any more?

[*English*]

Mr. Speller: Madam Speaker, what I said in my speech here tonight was that I felt, and that people on this side of the House felt, not only that negotiations were not carried on enough, but that sanctions were not given enough time to work.

I think I showed, by giving the hon. member figures in my speech tonight that sanctions were working, that Saddam Hussein was cut off, and that, in fact, if we look at the circumstances, Saddam Hussein, more than likely, did not know the resolve of the United Nations prior to making his move into Kuwait.

If we look at the history of the story, if we read what has gone on in the past, that the Americans themselves failed diplomatically, failed in all ways to inform Saddam Hussein before he went into Kuwait, we see that they would not stand for it.

The fact that the international world community formed together was a wonderful thing. It was good that Canada got involved in the forefront and sent members of the force over there to enforce these sanctions. That is the way to get people to negotiate.

I only regret that this government and these allies did not give sanctions enough time to work.

Mr. Pat Sobeski (Cambridge): The hon. gentleman talks about sanctions. I would just like to ask his opinion on sanctions that were discussed in a Liberal release on the Persian Gulf crisis on December 21.

I know the gentleman must be familiar with it because it is the Liberal policy. It says here: "The Liberal position is that Canada should promote sanctions, rather than the threat of war". It reads on later: "On the one hand, this would involve imposing a threat of new sanctions such as a drastic reduction in Iraq's water supply, controlled by Turkish dams, if Saddam refuses to reconsider his position. Alternatively, a refusal to consider speedy resumption of food aid to Iraq".

I am not familiar with international law, but if the hon. gentleman is promoting sanctions that would limit water and food to an opposing country, I would be shocked. Yet it is clear in this policy. I would like the hon. member to discuss it when he is indeed walking down the main street in Hagersville, talking to his constituents.

Mr. Speller: Madam Speaker, it was his government that chose to go to war. It was his government that said sanctions were not working. It was his government that refused to give this House any proof whatsoever that sanctions were not working.

An hon. member: It's his obligation to do it.

Mr. Speller: Whether or not this war is a long war or a short war, people will die. They will die whether or not we get this over quickly or whether or not it is dragged out forever and ever.

This government made the decision for Canada to go to war. What our party wants to do now that that decision has been made, is to support our men and women over there, and to have this House debate openly and freely the issues involved around Canada's role there.

I would hope that the hon. member will take charge of his caucus and his government and make sure they present to this House a resolution that shows that this House supports our men and women who are in the Persian Gulf now.

• (2040)

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, this is a difficult and serious debate. It may well be one of the most disturbing debates in this House since I first became a member. I don't have much time, but I would like to make a few comments.

The government tabled a motion in the House last Tuesday which reads as follows:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

I was here in Ottawa last August when the government made its decision to send Canadian troops, resources, equipment, and Canadian ships. I spoke in our party caucus, and, we supported the government's initiative, an initiative that had been launched by the United Nations to apply economic sanctions in order to convince Saddam Hussein he should free Kuwait.

Our mission then was the same mission we have today. We are still convinced Saddam Hussein should free Kuwait.

The motion before the House today is defective. It is entirely obsolete, because it ignores the fact that there have been changes in the world.

We can hardly say the Liberals were part of the decision to go to war. We were against that decision. We said many times that now was not the time to proceed with military action.

We supported the sanctions. We were convinced that over time those sanctions would have the desired effect, which would be to persuade Saddam Hussein to free Kuwait.

We didn't change the ways and means. This was done by forces independent of this caucus, of the group to which I belong, the Liberal Party.

In an amendment to the government motion that we tabled last Tuesday, we said that for the time being, we should not resort to military action. We said that for the time being, economic sanctions and diplomatic efforts should be continued, so that no one could say we had failed in our task to maintain peace in the world.

The decision was made by others. No one can blame us today and say that the Liberals changed their minds. We did not change our minds. The mission remains the same. The mission is to free Kuwait and to convince the aggressor, Saddam Hussein that he should leave Kuwait.

I listened to a number of the speeches made in this House. I listened especially to speeches by ministers to find out whether they contained a message that would have been reassuring with respect to the efforts made by this government internationally to convince the aggressor, Saddam Hussein, to give up his plans to occupy territories that are not his.

On the contrary, for months we saw no constructive action by this government. All of a sudden we were told: "We are going to war. Canada is taking part in a coalition."

And today, we are asked to approve a motion that does not say that we are going to war but that we support the United Nations in its efforts to liberate Kuwait from Iraqi oppression.

I repeat, this motion is defective and poorly drafted, so much so that I fail to understand how the government can possibly want us to believe that this motion, which is in fact obsolete, could be voted on today by this House and that we are actually taking a vote in the House on the decision to go to war and support our troops.

I do not have much time but I will one thing: we support the Canadian troops. We support the mission aimed at liberating Kuwait and, now that the decision has been made, for we have always been consistent on this issue,—we have said that we support the mission to liberate Kuwait,— we support the sanctions. Now that without consultation and without telling us first the government has decided to go to war, I think it is clear that the mission remains unchanged: to liberate Kuwait, but not to put the world and that important region of the world on a war footing, a terribly dangerous escalating process which might begin in the next few hours and likely compromise world peace for years to come.

I listened closely to the speeches of my colleagues. A moment earlier a question was directed to one of my friends, one of my colleagues, about the sanctions. It is not up to us to show that the sanctions were not working.

We think that the sanctions were working. If we are to believe the American authorities, the sanctions were working before the election. What happened all of a sudden that they no longer work?

The onus of proof rests with the government. We did not get a satisfactory response to our questions about that.

I do not have much time but there is another point I want to raise. The situation has changed over the last 24 hours. The current situation in the Middle East, with the state of war between the coalition and the Iraqis, has changed the minds of a lot of people.

A few days ago, the American Congress voted 47 to 52:47 American senators voted against the participation of American troops in the Middle East war. Yesterday, Madam Speaker, now that war has broken out, 98 American senators supported their country at war. It is a heart-felt sentiment.

I cannot stand here today and say that I do not support the men and women of our armed forces who are there to defend—in my name and under my flag, under the command of my country—the cause espoused by my government, whether I like it or not.

I do not support this government. Everybody knows that, but it made the decision. As a Canadian therefore, I have to support the decision that was made and support the Armed Forces.

The decision we will have to make, the vote we will have to take in a few days, I hope, will be an intelligent vote. I swear to you, Madam Speaker, that we will gladly rise for that vote because all of us here—Muslims, Jews, Christians—pray to the same God for peace. I hope she is listening to us!

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, my hon. friend said that this debate is a most difficult one. Indeed it is, definitely. Not only is it difficult, but its complexity is such that we have lost sight of our objective.

During the few minutes he has left, could my hon. friend elaborate on this and put the debate back in perspective by emphasizing the real meaning of the vote we may be called upon to take, defining what is at stake and restating what is exactly Canada's position.

• (2050)

The Canadian position is clear: Although we would have supported the use of four military forces to enforce the sanctions, we are opposed to their participation in direct military action. Now we are faced with a war.

Could my hon. colleague tell the House once more that we just cannot tell our fighting men and women that we cannot support them, for they are just a bunch of terrorists? It is inconceivable that the government should hope to convince the Canadian people of that. It is an absolute aberration. Would my hon. friend care to elaborate on that point?

Mr. Gauthier: Madam Speaker, I thank my good friend, the hon. member for Saint-Denis, a man who knows how to put issues in their proper perspective, for his question which is quite relevant.

First of all, may I say that there is no shame in seeking peace. I should be delighted, as I am sure the hon. member would be, if our forces could help bring back peace.

Only God knows when a vote will be held within the next few days; I certainly do not. What I know, however, is that the three parliamentary leaders will have to agree on the proper time for this vote, for the motion or order of the House dealing with this issue grants them in this particular instance the right to decide when the vote will be held. I do not know when it will be taken. I really do not know.

What I can say, however, is the vote on this motion. It may be that the significance of the wording may have been lost for, as I said, the motion is now redundant, obsolete. We just could not put the true question before the Canadian people which would read: In view of the fact that our military forces are already fighting side by side with other armed forces in the Persian Gulf, do you support them, yes or no? That is the question.

I support our military forces. I hope and pray that they will return home as soon as possible before this confrontation escalades into a war of which everybody understands the importance and significance. Should there be a shift in the Arab coalition tomorrow, we would be faced with a very difficult situation. All we are asking, is for Mr. Saddam Hussein to regain his senses and withdraw his forces from Kuwait. We have nothing to gain in bringing him to his knees or in destroying Iraq. We have no territorial ambition or vested interest in that region, but we want to re-establish international order.

Madam Speaker, I suggest it is in Canada's interest to work for peace and, as I said earlier, there is no shame in seeking peace. In fact, that is the very objective of our military forces.

[*English*]

Mr. Joseph Volpe (Eglinton—Lawrence): I want to compliment my hon. colleague from Ottawa—Vanier for elucidating government members their consternation regarding how people can feel about the circumstances in which Canada finds itself, in the face of a war that no one wanted and yet a war in which we are participants.

When members of my party, had the choice not that long ago between peace and war we chose peace. Who would choose otherwise? When we had the opportunity to choose between sanctions and war, we chose sanctions. We defended the opportunity that sanctions would afford peace. We defended the opportunities that sanctions would afford level-headedness, rationality and a peaceful mode to a conflict resolution.

We continued to do that, right up until that very last moment, not 48 hours ago. We understood the risks of waiting our time, of biding our time. We took the government to task on the fact that it was beginning to act unilaterally without consulting with this Parliament, without consulting the people of Canada. It acted unilaterally and changed the usual role, the normal role that Canada had played on the world stage as a peacekeeper that the minister identified as one that co-ordinated conflict. We changed from peacekeeping to peacemaking. Overnight, without consultation in Parliament, we

became policemen of societies throughout the world. In the minister's words, we have become the policemen of the new democratic order.

We found ourselves in a position where we were objecting to a government that had unilaterally decided to involve Canada in an adventure. Such as it was, this last summer, an adventure in the Middle East, an adventure which threatened to destabilize the very precarious stability, the very fragile balance of power that existed prior to August 2. We could find absolutely no reasons other than supporting sanctions, for doing anything other than looking for the vehicle that we were participants in establishing in the United Nations as a focus point in a medium for seeking solutions.

As of the other day the choice is no longer between sanctions and war. It is between war and war. It is not a choice that we would like. It is not a choice that Canadians want. It is not a choice that any rational human being would relish making. It is difficult for all Canadians to be faced with such a choice. Other colleagues before this House have pointed to the difficulties, the attrocities and the sacrifices in humankind, in material, in resources, in lost opportunities, in genius and human talent that go wasted because of this type of conflict resolution.

But we face it, Madam Speaker, and because we face it, all Canadians now have a choice of a long war or a war which is to be completed as expeditiously as possible with minimum damage to our own international reputation, to our domestic reputation, and most importantly to the men and women we have sent into a theatre of war without seeking the consent of Parliament. We are in war and so it is not illogic that those of us who represent the will of the people throughout this land would seek to indicate to each and every one of them that it is not theirs, the responsibility for waging this war without the approval of Canada is not theirs. That responsibility lies with the government opposite.

We, on this side of the House, support our men and women. The objectives they have to achieve are objectives which we can identify despite the government's obfuscation of them. We have entered into a theatre of war without knowing the reasons why. The government and through its members over the course of this debate has sought to depict the situation as one in which the world order is pitted against the machinations of one evil, diabolical individual. I would buy that. I do not think there is anyone in Canada—perhaps no one in the Western World—who has not been convinced that we are dealing with a type of individual who should not be the leader of Iraq, let alone any other country in the world. We have an obligation to deal with the threats that Saddam Hussein poses not only to the Middle East, but to us on an international basis. We find ourselves being unwilling combatants in a war that no one wants. But, as combatants and as representatives of the public we have the obligation to ask this government for what purposes these combatants sacrifice themselves and about the emotions and the contributions of all Canadians.

• (2100)

Is it simply to remove the dictator from Kuwait? I remind government members opposite that the road to Kuwait taken by the allied forces runs through Baghdad. I remind government members that allied war machinery is raining havoc, death, and destruction on millions of people in Baghdad. I remind government members opposite that those same tools of death and destruction are going to be aimed at our own men and women, just as they have been aimed at victims in the Middle East.

We witnessed yesterday, much to the shock and horror of all people around the world, a senseless attack on Israel, but a Machiavellian one nonetheless. Although I do not know whether as a peace loving Canadian I would be able to resist this kind of provocation, we are asking Israel to ignore the infractions of its national interests, its national security, and the menace of death to its citizens in order to allow the allied forces to secure the kind of peace that we could all participate in.

When we take a look at the objectives for which we are engaged in war, can we stop simply at ousting the dictator from Kuwait? The answer to that has to be a resounding no.

How can we do it most effectively? How can we do it most efficiently? How can we do it so that we produce the most long-lasting result?

Hon. colleagues, at least on this side of the House, recognize the moment that we entered the theatre of war we were committed to doing a variety of things. One of them was the liberation of Kuwait, not necessarily to replace its feudal government with another feudal government, but perhaps to give another system of government a greater opportunity to exist.

We recognize as well that in order to maintain stability, we have to make some commitments to ensuring that the integrity of Kuwait outlives the withdrawal of the allied forces from the theatre of war as surely as it witnessed their entry.

I have been listening to the debate from the government side as to how this is going to be accomplished or whether in fact this is an objective. I have heard not one indication so far that we will have to destroy the military threat that Iraq poses to all of its neighbours.

We have witnessed it in the past. We have seen it in operation against Iran for eight years. We have seen it recently in operation against Kuwait. We saw if just yesterday in operation against the State of Israel, which is not a belligerent nor a combatant nor a participant in any of the conflict. We saw it just recently used against other ethnic minorities in the State of Iraq, the Kurds and others on the Turkish border.

An objective has to be the destruction of that military machine. Another objective has to be the re-establishment of some stability.

Is it the government's intention to destroy Iraq and then to leave a power vacuum that will be filled willy-nilly by other powers in the area that have demonstrated a predatory bent in the past?

We know already of Syria's history into Lebanon. We know already of Saudi Arabia's movements in the area. We know in that that Saudi Arabia increased its military potential with the purchases of $22 billion worth of arms only last August.

Can anyone on that side of the House reasonably expect that that increase in armament potential is going to re-establish a very fragile balance of power in the Middle East? Can we forget the national security interests of Israel? I think not. All members in this House have indicated that that has to be crucial to any kind of balance of power.

In addition, what are we going to do once we have destroyed the leadership of Iraq, once we have destroyed the internal domestic political structure? Are we prepared to leave a large peacekeeping contingent in order to restore domestic order? Are we willing or are we being asked by the government to put in place an authority to have an allied army of occupation and administration not only in Iraq, not only in Kuwait, but also in Saudi Arabia?

The government is very short in some of the questions and objectives that it says in which we will participate, but the government has already committed Canada to involvement in the war without declaring war. Surely, as in 1918 when we participated in the First World War, our presence in the conflict would give us an opportunity to sit at the peace table and to work out part of a peace plan that should be long lasting.

What are those objectives? What are those plans? Does not the Canadian public deserve the right now to know for what we are committing enormous political military potential, for which we are committing, as well, domestic national strife? We are pitting Canadian public opinion against Canadian public opinion on the question of war and war in the Middle East.

If we are to be true and serious participants in this activity for collective security, we will have to define what we mean in terms of collective security and long-term peace. As I said at the outset, the question is no longer one simply of sanctions versus war. We are never going to be able to resolve that argument. We have not given ourselves the opportunity to find out whether sanctions will work. We are never going to be able to afford ourselves the opportunity to see whether any other peace mechanisms would have produced the desired result.

Keep in mind, government members as well as opposition members, that we had the same objectives whether through sanctions or through war: the ousting of a dictator, the liberation of an occupied territory, the destruction of a war material, and the re-establishment of a fragile balance of power in the Middle East. The fragility of such a balance of power is to be seen in the kind of threats that a friend of Canada is witnessing on a

day-to-day basis. As we speak, we know that the Israelis whose a nation is about the size of Prince Edward Island are facing imminent dangers of missile attack and armed invasion. We are asking them, and we should ask ourselves as well, if they are to make the sacrifice for peace what will be our sacrifice. Well, we are not going to make very many and I hope not, but at least truth should not be one of them.

Canadians can make a contribution in the Middle East. One of my colleagues, an expert in military matters, said that there is a variety of contributions. There are naval contributions, aviation, land troops, support contribution, and the humanitarian side.

Members from my caucus—and I see it has been replicated in the NDP caucus as well—feel that the humanitarian support that Canada can provide would be of long-term value, not only for the people in the area, but for Canada's reputation world-wide.

• (2110)

We have already seen the enormous dislocation and difficulties that the conflict has created. We saw it at the very beginning when over 60,000 refugees fled through Jordan. We are seeing it again. We know, through the bombardments that are taking place on both sides, that we are going to have in access of 750,000 more refugees. Some estimates point the number of refugees at 1.5 million. How will we restore order if we cannot take advantage of the opportunity to provide humanitarian needs at a time of great crisis. That would be in keeping with many of our roles in the UN.

George F. Kennan, a former U.S. ambassador to Moscow, dean of American foreign policy and the author of the containment policy, said just shortly after World War II when Europe was witnessing or living through the experience of post World War II economic, political and social destruction: "Against hunger, poverty, desperation and chaos, governments would seek to perpetuate human misery in order to profit from it politically or otherwise would encounter the opposition of—" and I could add there the United Nations and Canadians everywhere.

To do something less would be to shame the objectives which we say we applaud when we involve ourselves in this conflict. Our government owes it to all Canadians to indicate to what extent we are participating in a long-term peace plan, much as the allied powers in World War II at Quebec, Casablanca and Yalta already began to prepare for peace. We have not been given an indication of that, other than to say that we will establish a military might beyond any contest in the Middle East.

But that is going to be very short lived, and we cannot cast forward surreptitious suggestions about peace. We have already made efforts to sacrifice virtually everything on behalf of peace. For example, I know my colleagues to my left have often alluded to an international peace conference with a set agenda and objectives to ensure a set end of results.

When we got to the point where we were willing to sacrifice national security interests of Israel in order to secure peace and were not able to obtain it, we knew that vehicle was no longer a viable option for us. But we must to have something in place.

Will the government come forward to tell the Canadian people what that plan is? It cannot be that we are simply going to leave our troops in the Middle East. It cannot be that we will give to them the policing authority in a land where co-operation and harmony has been disrupted over the course of the last 50 years by the economic dislocations of rationality that oil brings, both with its wealth and with its jealousies.

In closing, I can only add the ominous words of a letter sent to me by the Canadian Arab Federation just recently: "There is no such thing as a military solution to the Middle East conflict. War would only poison relations between the west and 200 million Arabs and one billion Muslims for decades. An international disaster would result. Indeed the new world order we speak of and hope for would likely be lost".

Our search for peace has to be one that is rooted in long-lasting profound initiatives. Our party on this side of the House is asking the government through this resolution to stop hiding behind obfuscation and to come forward with a peace plan that all of us can vote one.

I know that all Canadians following this debate would agree that no one wants war. Now that our government has put us in a war, we want a plan for eliminating the need for war as quickly as possible. If there is war, I know all members here on our side of the House, all members of the Liberal caucus, would say to our friends and to our sons and daughters in battle right now that we would be

the first to volunteer in order to be with them and to bring them back home safely.

Mr. Butland (Sault Ste. Marie): Madam Speaker, I will be sharing my time with the member for Timmins–Chapleau.

Madam Speaker, we are here tonight to discuss a moot question and an irrelevant resolution. We are talking about a war that is proceeding as we speak in the House of Commons, and some Members will be speaking until three or four o'clock this morning.

Mr. Cooper: Madam Speaker, on a point of order. I'm sorry, I meant to catch the attention of the House before the Honourable Member started.

I wonder if we could have the consent of the House to allow the pages to call it a night. I am sure they are tired. They have been working long hours this week and many of them have school to attend.

[*Translation*]

Mr. Gauthier: Madam Speaker, we fully agree that these young men and women should go home to bed while we continue working. See you Monday.

[*English*]

Mr. Riis: Mr. Speaker, I think it is an excellent suggestion. They have given us yeoman service day–after–day; a brilliant insight and enthusiastic support from us.

Mr. Speaker: I appreciate the generous comments that have been made, and that of course will be ordered. However, I should point out to the House that arrangements had been made, with which they had cheerfully complied, to serve us as long as the debate continues. I think the generous comments that have been made are an indication of the gratitude and the esteem with which this House holds the pages who serve not only the House but our country.

Mr. Boudria: Mr. Speaker, I totally agree with what has been said, but I want to take this moment to state that there are so many other House of Commons employees who obviously will not be able to go home. Perhaps we can use this occasion to tell them that if we could allow them the same privilege, we undoubtedly would. People such as the Clerk, the stenographers and others who are helping us should at least be recognized for their help.

I take the liberty of saying that as a former House employee. I want to congratulate them for their dedication.

Mr. Speaker: As a former House employee, the hon. member probably remembers moments when if the Members had gone home, he could have gone home.

Mr. Cooper: Mr. Speaker, you might mention the translators.

Mr. Speaker: I think there is a general mood in the House to thank all those who serve this place and in so doing, serve our country.

Mr. Gauthier: Mr. Speaker, while I have the Parliamentary Secretary in the House, I would like to ask him a question dealing with the business of the House on Monday. It is a very important question, given that we do not have at this time an idea of what the House is going to be dealing with on Monday and since we will probably be sitting late tonight and tomorrow.

I wonder if the Parliamentary Secretary has had a chance to talk to his House Leader and could apprise the House of what order of business this House will be taking up on Monday and, if possible, on Tuesday, Wednesday and Thursday of next week.

Mr. Speaker: I must point out that this may be unusual but the parliamentary secretary is rising to answer.

Mr. Cooper: I would indicate to the hon. member that at this point it would appear as though we will be calling Bill C–88, Bill C–91 and Bill C–93, three bills which are presently on the Order Paper.

Of course, we are facing a unique situation and circumstances may change, so I obviously have to put that caveat forward. But, at this point it is certainly our intention to call those three bills. We will talk about order with the other members of the House and provide all the co–operation that we can.

Mr. Nunziata: On the same point, Mr. Speaker, I assume from the discussion between the House leaders that it is accepted that the debate will be allowed to collapse; that, at some future point to be determined by the three House leaders, a vote will be taken; and that

there will be no amendment to the order of the House that we are presently operating under.

Mr. Cooper: Mr. Speaker, I cannot speak for all House leaders so one would want to reserve all of one's options, but we are co-operating. We have had an excellent spirit in the House of Commons this evening, and I am sure that will continue.

• (2120)

Mr. Butland: I hope, Mr. Speaker, that all those interventions did not detract from my time.

Mr. Speaker: I can assure the hon. member that I have kept track of all those interventions. They will not detract from your time.

Mr. Butland: Thank you very much Mr. Speaker. As I was saying this debate is about war. We are talking until three or four o'clock in the morning because the government did not call us back at the appropriate time. The Congress of the United States saw fit to get the job done and passed a resolution. Spoke to a resolution that was appropriate. We are not doing that. We were brought back nearly on the eve of war to discuss a resolution that was already nearly outdated. I am not an historian nor have I ever been in the Middle East, so I think that is a disadvantage for those of us who have not experienced the actual setting or the theatre of war. Some of my constituents have told me that just, maybe, if George Bush and the Prime Minister of Canada and more politicians were in the theatre of war, there would be less war declared.

The Prime Minister has quoted Lester B. Pearson on several occasions. I suggest that it has been selective quoting and I would also like to quote that the right hon. Prime Minister. In 1957, when he received the Nobel Peace Prize he said: "We prepare for war like precocious giants but for peace like retarded pygmies". I think that quote more aptly raps up what the Prime Minister meant at that time and what our party also stands for we are really treading on a tight rope between utopia and cremation. Just six months ago, the Berlin Wall was brought down, the cold war was over, the satellite countries of the U.S.S.R. were seeking independence, there was detente between the United States and the U.S.S.R. Now we have problems in Lithuania and the other satellite countries. We have this conflagration in the Middle East. The turn of events has been so dramatic, going from the very positive to the very negative. Indeed, we are on a tight rope and we could go either way.

We have been consistent in saying that this war is unnecessary and unjust. It is a war about power, about money and about oil. A journalist, and I think a wise journalist, said that if Kuwait were full of coconut palms or date palms, certainly we would not be trying to drive Saddam Hussein out of that country. We invaded Kuwait. We would like to get him.

The young people and the senior citizens of this country, the young people who have not experienced war, who have not been sullied by war, in one united voice say no, war is not the solution. At the opposite end of the spectrum, visiting the legion in my community, the veterans who have experienced war said war is no solution. It will not solve anything. And just this evening, it was very timely, dated January 15, One Voice, the Seniors Network spoke against this war. "We want to see Canada playing a more active and independent peacekeeping role in its support of the United Nations. We can enforce sanctions and take part in diplomatic negotiations but we must not be aggressors in this conflict", say the seniors, the veterans who have experienced war and the young people of this country. I had occasion to receive some letters from students in a school in my community and, to a person, to an individual, they say war will not solve anything.

If we can cure so many of the diseases, surely we can resolve our differences. One student said if he could go to Iraq, he is sure if he spoke to Saddam Hussein, he could convince him that this war is wrong. It is ironic that just several years ago, the United States was propping up Saddam Hussein in Iraq. It was giving him arms. He was a hero at that time. Now, all of a sudden he is a diabolical murderer. He is a jackal. He is a barbarian. Has he changed: No, he has not changed. He is the same individual. He was a barbarian then and he is a barbarian now.

Everyone says in their speeches that Saddam Hussein is evil incarnate! Yes, of course, he is an evil individual, but we are wreaking havoc upon millions of people. Have we declared war as well on the Iraqi children, the Arab countries of this world, the Israelis? That has been the domino effect, the spillover. The war, as we have said,

will not solve the problem. It will merely be a conflagration of all sorts of nations. There is no solution in war.

I read an article by Richard Gwynne and I think we have given it short shrift. Saddam Hussein wanted a war. We are going to create a martyr. If he is martyred, what will be the end result of that? It will not solve any of our problems. It will create myriad more problems that probably will be unsolvable. While we are unable to solve those problems, how many hundreds of thousands of people will be killed?

Turning to the concept of sanctions, do they work or do they not work? Would they work or would they not work? We get conflicting stories as to whether they were or were not. The Secretary of State for External Affairs said there were undetected products getting through and that is a paradox if I ever heard one. If they are undetected, how do they know they were getting through? Some say sanctions are effective and some say they are not.

This time, we cannot wait. Saddam Hussein will take the food from the children and the women and give it to his soldiers. We are saying that is not acceptable to us. Our alternative is a bomb. Send a thousand sorties a day and decimate the country.

I am sure if the young children in this country had the choice between being hungry and facing the devastation of these bombings, the choice would be obvious. Sanctions should have been given more and more and more time to work. Saddam Hussein wanted this war and we gave it to him. We played into his hands and the solution will not be there. This country, as long as this leader was present, would be a pariah state and other countries would not deal with him.

As I speak Jordan is perhaps to become involved. We knew Hussein would attack Israel, he said so. The Israelis expected it, so it is no surprise, but that does not make it good. This could be genocide. This could wipe out an entire nation.

The cost will be $2 billion a day. It could cost $86 billion. You say: "well money is insignificant, it is irrelevant," but surely in this day and age, with people starving, dying of malnutrition, that money is important. The money could be put to a much better use than this war.

The question is: why are we at war? Can we answer that question? That question that will have to be answered later on when the war is over. Why did we go? To get the aggressor out of Kuwait? To protect our life-style? The President of the United States said to protect our way of life, to protect jobs. That is far-fetched. It did not work.

• (2130)

Finally we said we had to get rid of the aggressor. Yes, we must get rid of the aggressor, but is this the way? It is the least desired of ways or alternatives that we should have followed. But now we are into it, and once we have it started, how will we be able to get out of it? Who will be there to pick up the pieces when this is all over?

As for negotiations, negotiations took place, we think. At just about the last negotiation James Baker said: "We are going to try a new spin on an old approach. The carrot is that if they pull out of Kuwait we will not use the big stick". That is negotiating, to use the big stick. Indeed, we are using the big stick. There is bomb after bomb after bomb after bomb.

Winston Churchill, who got much of his fame while being involved in conflict, said: "Jaw, jaw, jaw is better than war, war, war". We accept that and we are against this war. We are consistently speaking out against it. We rally around our troops, and our motives are constantly questioned regarding whether or not we support the troops. That is almost dishonourable. It is despicable to even to suggest that we do not. These people would rather see us rally around the guns.

I will close by asking whether it is the right thing to do, if you are bearing arms and attempting to be a part of an aggression. I cannot help but think of the medics and the padres during wartime. Who could be considered braver than these individuals who went into the front, for the most part totally weaponless?

Please let us not get into saying we do not support our troops. Nothing could be further from the truth. We are against this war. We are against aggression. We believe, unfortunately, that it is now out of hand and that there is no turning back. In view of the way it is escalating, what will it be tomorrow and the next day and two weeks from now? Let us hope it ends as soon as possible.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I appreciate the conviction with which the hon. member spoke. I have just a few comments and possibly a question.

No one questions the distaste for war; none of us does that. It is certainly an option that no one would prefer. I think one of the issues that was brought forward by the member is somewhat confusing in the minds of the Canadian people; something I guess he did not bring out. It is simply the fact that Saddam Hussein has inflicted severe punishment upon his own people, for hundreds of thousands of his own people have died over the years. In fact, thousands of his own people have died this year. Hundreds of thousands reportedly have died in the country of Kuwait, which he has taken over, and continue to die at this very moment.

The unanswered question of this whole equation is: How many of those people would have continued to die at his hands if the United Nations had not acted as decisively as it has and collectively on behalf of the world to rid the country of Iraq of this individual? Peace at what price? This is really the question I am asking the hon. member.

Mr. Butland: Mr. Speaker, I appreciate the sincerity of the question.

My answer is that violence indeed begets violence. Yes, I suggested that Hussein is a barbarian, a jackal and all those terms that people have defined him as being. Anybody who would turn upon his own people and use poison gases and all these deadly weapons upon his own kind is all those things. I have also read the horrors in Kuwait, unspeakable horrors, things that when you read them you say are just unbelievable and repulsive.

The government's answer appears to be: "Well, our solution is to go in there and decimate. And rather than allowing maybe 10,000, 15,000 or 20,000 to die abominable deaths, torturous deaths, let us do it quickly. Let us get in there. Let us bomb. Let us have a blitzkrieg. Let us see how many and how fast we can get in there to do the job." I understand from the very graphic pictures on television that these weapons are so technical they can actually pinpoint and hit a bunker. These are the kinds of weapons we are using.

The answer cannot be to wipe out a nation although that is possible. We have heard of 150,000, we have heard of 350,000 people killed. I do not know. Nothing has been verified. One wonders what will happen. In a small incident like Panama it was suggested that very few people were killed. It was later evidenced, however, that hundreds were killed. Hundreds of thousands of people, perhaps a million people, if the conflagration continues, will die. That is not the solution.

[*Translation*]

Mr. Speaker: The hon. member for Portneuf, very briefly please.

Mr. Marc Ferland (Portneuf): Certainly, Mr. Speaker, I shall be brief. I have a question for my hon. colleague. He sides with those who claim that we should have continued to negotiate with Mr. Hussein, a man who had just ended an eight–year war with his neighbour. We had assumed, he and I together with most world leaders, that the war was over in the Middle East and that there would be peace. Hardly a few months later, this same Mr. Hussein invaded a small country. The collective realization of world leaders of countries that are UN members was that Mr. Hussein had not abandoned his military ambitions, but that he wanted an extension of the war in the Middle East in an attempt to take over a number of countries. He certainly did not prove world leaders wrong yesterday when he attacked Israel, a country which so far had not been directly involved in this war against Iraq. I wish the hon. member could explain to me how much further the United Nations could negotiate with this man, when admittedly every possible effort had been made. In other words, to use the hon. member's own words, at one point should one decide to use the big stick to make someone understand that enough is enough?

[*English*]

Mr. Butland: Mr. Speaker, I appreciate the question and I also accept the fact that it is a difficult question. It is like sanctions. How long do you negotiate, how long do you allow sanctions to work? I do not know. I do not have the answer. I do know, however, that this solution is wrong. It is not a solution to have a travesty upon the world. It will reverberate across the world next month, next year, next decade, and perhaps next century. We may never recover from this.

• (2140)

To answer as to what time, I have no concept. Sanctions may have taken a year and a half. They say that it is too expensive. It is too slow. Compare that cost with the $86 billion to $100 billion cost and the million lives or whatever. I do not think there is any comparison.

Thank you, Mr. Speaker.

Mr. Cid Samson (Timmins—Chapleau): Thank you, Mr. Speaker, I rise this evening to take part in debate on this very serious issue we have before us. I think one of the things that should be made very clear at the onset is that I firmly believe there is no one in this House, no one, who supports war. We made it very clear that we all oppose war, but the way in which we try to express ourselves in that opposition differs.

The main thing that we are discussing is the motion we have before us. When I read it, I was a little confused.

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

I support that. But what I do not support is the fact that the United Nations, as a peacekeeper, as a body of nations that supports peace, has decided to go to war in its Resolution 678.

If my understanding is correct, under section 42 of the United Nations charter, there must be evidence and there must be proof that all other methods have been exhausted prior to going to and calling for war.

I am not convinced, and I have not been convinced in this House by the members on the other side—that all options have been exhausted. I do not think that sanctions were given enough time to work. I know it has been said, many times: "How long? When do you call a stop to this? When is enough enough?" I do not think that losing one's life is worth all the oil and all the money that is going to be spent in this war.

On the question of sanctions, I would like to quote the rt. hon. Secretary of State for External Affairs on January 16, 1991 on page 17112 of *Hansard*. In response to a question put to him by our leader, He said:

> What I am telling here is that we have the most airtight system of sanctions the world has known and yet even with the most effective network of sanctions we have known, there are strategic imports getting into Iraq.

It seems to me that if we have the most airtight form of sanctions in the world, we have a bushel basket that does not hold water. That is not, in my opinion, a sanction that is functioning.

So what does it mean? It means that we do not have the most airtight sanctions in the world, in my opinion. I find this statement rather silly, quite frankly.

If there were chemicals and machinery coming through the back door or coming into the country somehow, we should have stepped up our patrols, we should have stepped up our sanctions.

There is no evidence I have heard in this House that tells me sanctions did work. I think we jumped the gun so to speak. I think we acted too quickly. I think if we, as parliamentarians, and it has already been said, but it is worth repeating, if we were made to enter the field of battle we would not be so quick to say: "let's go to war". We say that Saddam Hussein is a maniac, he is not too stable, we do not know what he is going to do next, that he is willing to kill his own people to achieve his goal.

When we drop those bombs on Iraq, we are killing civilians. We are not killing the military. I have a letter from the Canadian Physicians for the Prevention of Nuclear War. They were the Nobel Peace Prize winners in 1985. In the fifth paragraph of this letter it says: "The vast majority of casualties and deaths would be suffered by the civilian population. In wars since 1980, 84 per cent of all war dead have been civilians. Forty-five per cent of the population of Iraq and Kuwait are children under the age of 15. Medical facilities there are inadequate even for peace time. But they would be paralysed by war".

I have numerous letters from students in my riding who have written to me saying that this war is stupid. "We do not want war; we want peace. There has to be another way. When you fight with somebody else, that is violence and violence does not create anything but more violence." These are 10, 11, 12 year old kids telling us this. And here we have the Nobel Peace Prize winners

saying we value the lives of our Canadian men and women serving in the Persian Gulf to enforce United Nations sanctions on Iraq. We join with their families in praying for a resolution, through the United Nations without war. That is the same thing as the kids are saying.

It does not take a genius to figure out that this war is wrong. It was wrong from the beginning. We did not support it and we do not support it now.

I have a communique from the staff of the Enterprise, a local newspaper in my riding in Iroquais Falls and it says: "Dear Cid, give peace a chance. Please act on our behalf here in Iroquais Falls to do whatever you can to avert a war in the gulf area that could mean the loss of many lives and a world-wide tragedy."

Nobody wanted this war. It is a war that is based on greed not need. It is based on the need for money. Why does Saddam Hussein need Kuwait? He needs it because he is broke. He just came out of a an eight-year war with Iran. He needed the money and this is what this is all about. He wants the oil. He wants the money.

"What is the price of peace", we were asked a little earlier. What is the price of a life? Is a life worth all this? Would losing one life—what if it was yours—be worth it? I do not think so.

There are many things that can be said here this evening. There are many things that have already been said. Our troops are in the gulf. My position and my Party's position is very clear. Our troops are there. There is no question about that. What are they going to do there? Are they going to become part of the aggressive forces? In my opinion they should be used in the role that was designed through the United Nations, that is to pursue the role as peacekeepers. We should be assisting with medical needs, humanitarian needs. We should be offering escorts to the hospital ships. Our CF-18s should be offering protection for those hospital ships. They have a role to play, but that role should not be an aggressive role. It is to be a humanitarian role for the protection and the continuation and pursuit of peace. Once we become aggressors, we are on the same level as Saddam Hussein. We are not above him; we are below him, because we have now become the aggressors.

• (2150)

In the pursuit of peace, our troops do have a role to play. I do not suggest for a moment that they should withdraw and come home and forget all about it. I think they should be there. I think they should be serving the needs of the civilians, of the refugees and not become the aggressors. On that note, I will end my comments.

[*Translation*]

Mr. Marc Ferland (Portneuf): Mr. Speaker, I wish to congratulate the hon. member for Timmins—Chapleau on a remarkable speech and I sincerely believe him when he says that each and every member of this House wants for peace.

On Remembrance Day less than two years ago, Mr. Speaker, the hon. member and I were in Normandy where we visited the huge cemeteries covered with thousands upon thousands of crosses and tombstones with inscriptions listing the ages of the people buried there: 17, 18, 19, 20 and 22. As we left these cemeteries, we could not help but appreciate the beautiful landscape and the happy people and reflect that such was the price these young heroes had to pay to secure this peace.

In the various villages where memorials were being erected to honour Canadian war dead, we spoke to young people, young parents, who said: "We are doing this today because we want for our children to remember those who years ago paid this peace with their lives." Canada remembers. For nearly 45 years—I am sure my hon. friend will agree—it has expended a lot of effort working for the cause of peace.

Yet, there comes a time, once war has been declared, when it is necessary to stand up and be counted. As a union leader, he certainly realizes that people can negotiate for a year or two. Then out of frustration, the parties will start hurling verbal abuse at each other which may turn very quickly into physical confrontations. Society, however, has developed laws and rules of behaviour: The parties may go to court and ask for a ruling.

On the other hand, when the leader of a country decides not to resort to diplomacy and negotiations and even the occasional slap on the wrist, but rather to chemical weapons, tanks and aircrafts to destroy entire areas, how do we stop him? I should like the hon. member to explain to me tonight how, at the international level a judge could enforce international law? Here it is always possible to call the police and say: "Listen, you

have to enforce the law". It is possible to put people away in jail, but it is not possible to put a whole country behind bars. Therefore I would like him to explain to me how in the future, we could find a way out of these dead end situations; is not by waging war.

Mr. Samson (Timmins—Chapleau): First I want to thank my colleague for his question, a very serious and sincere question, I believe.

It is true that we spent some time in Normandy about two years ago, and it is true as well that as I walked around the tombstones I was heartbroken to realize that all these young people had died because of the war. This is why today I speak so strongly in favour of successful peace negotiations. I also believe that it is not good enough to say that a time comes when war is the only option. In this instance the negotiating process was not carried through to the end, all avenues were not explored.

As to the sanctions, I feel that they were not given sufficient time to give results. I should like to quote from a statement I have here, but unfortunately I have only the English version.

[*English*]

Retired U.S. Admiral, William J. Crow, former Chairman of the Joint Chiefs of Staff, stated in testimony before the U.S. Senate Armed Services Committee:

> If in fact the sanctions will work in 12 to 18 months, instead of 6 months, the trade-off of avoiding war with its attendant sacrifices and uncertainties would in my view be worth it.

[*Translation*]

I quite agree with that statement. I do not think and I was never convinced that enough time was given for the sanctions to take effect.

Specifically concerning the question of my friend, I am tempted to quote a letter, also in English.

[*English*]

We ask that all governments work to make the sanctions even more effective and that every effort be made by the Secretary-General of the United Nations to negotiate the withdrawal of Iraqi forces from Kuwait. We are convinced that this is the turning point in world history when we can choose to act as an international community to develop a world order that does not rely on war to settle conflicts.

Mr. John Manley (Ottawa South): Mr. Speaker. I participate in this debate tonight with a definite sense of futility in view of the unfolding events in the Arabian Gulf beyond the control of this House and even well beyond the control of Canada. The debate has become futile in the sense that it does not lead to any meaningful or effective decision by this Parliament, since war is already under way and Canada is there. Many members of this House, including myself, regret this very deeply and would like to have had the opportunity before war started to make some of the arguments that are now moot.

In the present circumstances, I rather regret the extent to which this debate has gone and the fact that it continues to be partisan. I do not believe that this is an appropriate time nor an appropriate issue for the scoring of what may be regarded by our people as somewhat petty political points since Canada is now involved in a war and we are all first and foremost Canadians. I believe that we in this House enjoy substantial agreement on many points. I want to emphasize these points of agreement before I explain, for the benefit of the people of Canada why I believe this matter could and should have been conducted differently.

The resolution before the House would affirm the support of this House for the "United Nations in ending the aggression by Iraq against Kuwait". The objective of the UN in this matter is something on which I believe we all are in agreement, that is the removal of Iraqi forces from Kuwait and the restoration of the legitimate Government of Kuwait. Where we have differed in this House is on the question of the appropriate means for the world community to pursue in order to achieve this objective. We on this side believe that economic sanctions should have been given adequate time to effect this objective in parallel with ongoing diplomatic efforts. The government believed that the time for war had arrived. It and the Prime Minister bear a heavy responsibility for the consequences of this decision.

While I deplore the fact that we are at war, I support whole-heartedly the objectives which our forces are pursuing. In that sense, I now find myself in support of the resolution before the House.

• (2200)

[*Translation*]

The holiday season this year was made gloomier by anxiety and haunted by fear. The world was at a crossroads, but we could tell that the situation was bound to worsen. For sure, the over-all Canadian agenda was not rosy. I was particularly struck by the televised messages from our troops to their families and friends here in Canada. The Canadian soldiers on foreign soil or cruising over distant waters were not posted abroad as peacekeepers, but indeed they were very close to getting involved in deadly combat.

[*English*]

How could so much have gone wrong so fast? How could it be that we were contemplating the imminent engagement of Canadian forces in battle, not in Europe but in a far-off desert? I suppose all of us wonder why we are really there. Is this really about oil? Is it really a case of the United States somehow co-opting the world community to assist it in its first post-cold war effort to assert its influence in a new and threatening way? If there were no oil in Kuwait, would we even care about the subjugation of this small nation by the Iraqis? Would we have objected if the Iraqis had succeeded in defeating Khomeini and had perhaps occupied the Iranian oil fields?

These questions are to me very unsettling and very disturbing as I contemplate the situation that confronts the world in the gulf. But they do little to help address the issues that have confronted Canada as a member of the world community and that may perplex the world for years to come. There remains little room for debate now that the President of the United States has taken and acted upon the decision to attack Iraq. That decision was made in Washington alone, and this is not the way the world should work in 1991.

I speak in this House of Commons to appeal to our government not to abandon the pursuit of peace even in the face of war. Despite the commitment our nation has made to engage in this action, we must not fail to search for avenues of peace to stop the destruction as soon as possible. Even in war, let us counsel restraint in the world community.

There should be no dispute about why we are in this situation. The massive, unprovoked and brutal assault launched on August 2 by Iraq against the nation of Kuwait and the subsequent purported annexation of Kuwait as a province of Iraq cannot be tolerated by any civilized nation. Iraq openly and defiantly violated international law and ignored the charter of the United Nations. The world community reacted with remarkable speed and consensus. Canada was right to support the UN resolutions condemning Iraq and demanding its withdrawal from Kuwait, as well as imposing economic sanctions.

There have been some who have equivocated, either because they claim to see some legitimacy in Iraq's alleged grievances, or by citing a double standard lurking in the world reaction to past wrongs of a similar nature. I do not agree with these objections.

[*Translation*]

The matter of the Iraqi's grievance concerning the artificial boundaries imposed by Britain, their claim to part of Kuwait's territory or their recriminations about the Kuwaitian leaders are nothing more than a smokescreen to throw everybody off balance. Frontiers may well have been cavalierly delineated, but they were accepted by the states of the region and in fact became legitimate. No other state in that region went to war over a boundary issue. Besides, Saddam Hussein was as happy as could be to acknowledge the legitimacy of the Kuwaitian leaders when he sought billions of dollars for his war with Iran.

[*English*]

It is true that there is a strong odour of hypocrisy in the air as the world community unites to condemn Iraq. So many times the world community has stood by and failed to condemn, let alone take meaningful action against, aggressors. Even now the Soviet Union seeks to intimidate the people of Lithuania through brutal means while the world does little more than gush empty rhetoric.

This is an argument that should be turned inside out. If a double standard has been practised, it surely means that the world community needs more experience in collective action. I suppose that if clean hands and a single standard were necessary prerequisites for world community action, there could never be such action at all.

Frankly I am less troubled by the supposed hypocrisy of the United States than I am by the logical conclusion of the argument upon which it is based, namely that the world community cannot act in accordance with the United Nations charter pursuant to resolutions of the Security Council, if the force required to implement these resolutions is primarily provided by the United States. To conclude thus is to ensure that the United Nations will become totally irrelevant and, further, that the United States will act unilaterally in future, when it believes its interests are threatened.

Then there is the cynical belief, to which I alluded previously, that all of this is motivated only by oil. Of course, it is indisputable that had this aggression occurred in some resource-poor region not so strategically located, the response would have been much different. I suppose this is part of the harsh reality of international politics, but it is surely not an argument against international action.

Of course we should not sacrifice human life for oil, but I fail to understand why the powerful economic reasons for ensuring access to important oil reserves should be the basis for undermining the legitimacy of international co-operation against aggression. Oil, whether we like it or not, is vital to the world economy. While this is especially true of the industrialized economies, it is also true that oil is vital to the struggling developing economies. The fact that oil is at stake in this crisis makes its outcome crucially important to the world economy, but it cannot be said that this fact should somehow impede the moral legitimacy of world action against Saddam Hussein.

It is almost too much to contemplate the potential disaster for the world economy and the human suffering that would ensue if Saddam were able to interrupt the supply of oil from the gulf region. I am convinced that none of the hand-wringing and equivocation I have heard is sufficient argument against an international effort, based upon economic sanctions, to turn back Saddam Hussein.

While the cold war period was one of unrelenting tension, it must be said that it was a period free from major international conflict. Regional conflicts were not permitted to get out of hand because of the threat of escalation to a superpower confrontation and all that such confrontation could mean.

In the post-cold war world, peace will no longer be built on mutual deterrents, and the balance of power will be replaced by the preponderance of power. If the United States and the Soviet Union no longer see their interests as being in contradiction, or if the Soviet Union is in fact in the process of decline as a superpower, then some new and very important questions must be asked. Examples are: What counterweight or other external limitation will there be to U.S. power? What protection does the world have against violations of international law if there are no international policemen? What mechanisms can exist at a multilateral level to ensure that international law is applied even-handedly in situations where force is required?

• (2210)

In the absence of mutual deterrents of superpowers to impose restraint on international aggression, it seems to me that the emerging post-cold war order can follow one of two patterns. Either the international community evolves an effective method of responding to breaches of international law, or there will develop an *ad hoc* unilateral response to situations deemed by one or another superpower or indeed lesser power to be vital to its interests, probably with little or no consultation with international organizations.

The invasion of Kuwait by Iraq provided the international community with its first clear post-cold war test. It is a clear test, because there is no justification in international law for Iraq's action against Kuwait. After August 2, there were not many choices available to the world community. I could think of three.

The invasion could have been ignored or treated as an Arab problem in need of an Arab solution. This overlooks the fact that no Arab state possessed the military strength to enforce an Arab solution against Saddam Hussein.

Second, the international response could have been to move into the gulf to prevent further aggression but, perhaps after a period of sanctions, to accept reluctantly his annexation of Kuwait as one of those unfortunate things that happen in the world. This option makes the statement that observance of international law is strictly

voluntary and acknowledges the inability of the international community to enforce observance of norms, which are surely essential to long-term peace and security.

The final choice, one would have hoped, was to apply the provisions of chapter VII of the United Nations charter, which in itself includes the use of force "as requested by the Security Council of the United Nations". Unfortunately, in this first test of the post-cold war period, the Security Council was not used to bring the pressure of the world community to bear on Saddam Hussein through genuine collective action. Rather, it was used to rubber stamp unilateral superpower intervention in a manner that seemed to meet none of the tests of prudence and sobriety that ought to accompany the decision to destroy the lives and property of hundreds of thousands of people.

I want to take pains to ensure that my remarks are not misinterpreted. I wish in no way to appear to sanction, accept or condone the Iraqi occupation of Kuwait. We must not forget the fear and loss suffered by many innocent individuals, including Canadians, who were held hostage by the Iraqis in strategic locations, in complete violation of international law and all norms of human rights. The hostage taking was made even more outrageous by the introduction on August 25 of the death penalty for Kuwaitis found to be harbouring foreign nationals.

In addition to the plight of the hostages, the occupation of Kuwait by the Iraqi forces will doubtless be remembered as one of the most brutal and vicious events of modern history. The 82-page report issued by Amnesty International verifies this completely. If the territorial imperialism of Iraq were not enough, the report of Amnesty International, which other members have referred to, would compel me to the conclusion that international action against Iraq was necessary.

But this is not the essential question. The question rather is: What action is appropriate? By whom should it be taken? The further question we should be asking is: What should Canada's role have been?

I believe that the taking of offensive action by the international force in the gulf against Iraq was the wrong action at the wrong time by the wrong force.

[*Translation*]

Although force is never rejected outright and might eventually become necessary, it would be a tragic mistake to resort to that option now. We did not give the sanctions enough time for them to be effective.

[*English*]

It does need to be said that the decision to abandon economic sanctions in favour of offensive action will result in unknown but quite possibly horrific consequences. Not only is the conflict certain to result in massive numbers of dead and widespread destruction, but the outcome can never be certain. For that matter, if the alliance of forces does prevail, what then? There is the potential that Saddam will achieve martyrdom, that his defeat will further inflame the Arab dislike for the west and will undermine the governments of Arab states that have supported the alliance and been friendly to the west.

There is the potential need to send occupation forces into Iraq after the war. There is the possibility that neighbouring states will attempt to take advantage of Iraq's defeat by seeking to take Iraqi territory. Perhaps Iran from the east, Syria from the west, and possibly Turkey from the north. There is further the possibility that the spread of the war to Israel will split the alliance against Iraq and possibly bring other Arab nations into the conflict.

But by no means the least importance, there is the risk of a serious ecological catastrophe.

Finally, what should Canada's role be in this terrible situation? Canada has built itself a marvellous reputation in international affairs. Canada's influence has greatly exceeded its might for half this century. With that history in mind, it is all the more embarrassing that in this crisis our government could find nothing innovative or original to contribute until the Prime Minister sent a letter to the Secretary-General of the United Nations last week.

I know, that my time is nearly over. I would like to conclude by saying that I believe, the failure to follow the steps outlined in the charter of the United Nations, chapter VII, establishes a very worrisome precedent.

The end of the cold war does not mean the end of the need for collective security based upon international co-operation. However, just as Neville Chamberlain gave appeasement a bad name and thereby influenced

countless foreign policy decisions since, this precipitous action in the Gulf may give collective or co-operative security a bad name as well.

We have all watched our television screens during the last days and witnessed the horrors of war. It struck me how capricious life is. Why is it that I was born in Canada and can witness these horrible events safe in the knowledge that the bombs will not fall on me while someone just like me is hiding in a shelter, his family clutched to him in another country wondering why fate has dealt him this card?

Until the leaders of this world find a means of ending the madness of war, we must not rest. We must never tire for working for peace among all peoples.

May God protect our men and women serving for us in the Gulf. May God protect the people, both civilian and military, from all countries who face such grave danger at this time, and may God forgive us all.

Mr. Greg Thompson (Carleton—Charlotte): Thank you, Mr. Speaker, I enjoyed listening to the hon. member, It was for the most part, a very thoughtful argument through the course of debate. But there are a couple of points that I wanted to make to which the member could possibly respond.

I think I will begin by quoting our former Prime Minister and leader the right hon. member for Vancouver Quadra, when on Wednesday, January 16, 1991, he pointed out so clearly:

> No, this is not an American Adventure. It is a United Nations action in collective security, one of the greatest historic developments of our time,

He went on to say: "certainly in my lifetime".

I mention that only in the sense that I think we are disillusioning the Canadian people when we think that the UN Security Council members rubberstamp the views of any member. Is he telling us, for example, that the U.S.S.R., France, Great Britain and China have rubber stamped the actions of the United Nations?

• (2220)

Further, I think that he has to look beyond articles 41 and 42 of chapter VII and take a very strong look at chapter VII. If he does, I think he would again understand the reasoning so behind this and that the UN was clearly living within its original charter and certainly within chapter VII. I think, again, that he has to look beyond sections 41 and 42 exclusively.

Mr. Manley: I appreciate the question, Mr. Speaker, because it does give me an opportunity to explain that point which I unfortunately had to omit for lack of time.

I believe that the United Nations was not asked to fulfil its mandate under chapter VII. In lieu thereof, it was asked to write a blank cheque to the United States to launch offensive military action against Iraq. I regret that Canada went along for the ride without even so much as questioning the timing as far as we know.

Chapter VII, as the hon. member knows, of the UN Charter provides a clear framework for international collective action in the face of a renegade state. Chapter VII includes the establishment of a military staff committee and requires, in article 42, a determination by the Security Council whether economic sanctions "have proved to be inadequate".

The Secretary of State for External Affairs, whom I think is very familiar with the problems of former leaders standing up and contradicting current leaders, as Mr. Diefenbaker often liked to do, perhaps rhetorically asked the opposition in this Parliament to prove that sanctions were working. What a ridiculous proposition for him to make.

First, this is a matter which the Security Council must decide. It never applied its collective judgment to the issue of whether economic sanctions were working. That procedure was totally short-circuited.

Second, surely the burden of proof must be on those who say the economic sanctions are inadequate. Is this not the argument that the Prime Minister of Canada has been so proud of making in the context of the G-7 nations to Margaret Thatcher? When she argued that sanctions were not going to work against South Africa our Prime Minister said: "Yes, sanctions are the way to go". Yet he seems to be willing to accept on very little evidence, as far as we can see, that sanctions were not working.

My concern is not that this is a question of approving the United Nations engagement in the battle in the Persian Gulf: Rather it is a matter of saying Canada should have stood back and said that the procedures in chapter VII are vitally important. They have only worked

once in the history of the United Nations and that was because the Soviet Union chose to absent itself on Korea. Now we have an historic opportunity to see whether genuine, collective and co-operative action can work to enforce peace and security throughout the world. Why not use those procedures? Why short-circuit them and turn that right over to a superpower to make the sole determination of whether it is time to take military action.

Mr. Thompson: Thank you, Mr. Speaker, for this second opportunity to respond.

Just one point that I want to emphasize clearly is the fact that, again under artcile VII, there is no sequence of events, or there are no specific steps that have to be followed with regard to sanctions. There is no pronouncement that has to be made with regard to whether or not sanctions are effective.

If we go beyond the very narrow interpretation of Articles 41 and 42, and look at chapter VII, with the clearness and the intensity of chapter VII, I believe the member would find that we have clearly operated and performed as required under chapter VII.

Mr. Manley: Mr. Speaker, I do not think that this is merely a matter for legal interpretation. For what it is worth—and I am not an international lawyer—I read the provisions of article 42, which say: "should the Security Council consider that measures provided for in article 41, namely the sanctions, would be inadequate or have proved to be inadequate, then it may take such action", and so on. It seems to me that in the absence of such a determination being made, the following provisions of article 42 should not have been taken. That is the legal argument.

I think the more important argument is this: As we move on into the post cold-war era, as I tried to say in my original speech, we really have two choices in terms of how international peace and security is enforced in the world. Either we have a collective security approach, which engages the determination of multiple nations, preferably the United Nations, or we relegate it to an enforcement by a superpower or even medium power in a regional dispute, that can enforce the peace or the action that it seems to think is desirable.

What I think is lacking in this case is an evident desire on the part of the nations that sat and made this decision to carry through to its logical conclusion the collective security concept, which would have engaged the minds of all those members of the Security Council in the decision to take offensive military action against the renegade country Iraq.

Rather than doing that, the procedure was short-circuited and simply delegated to the President of the United States to make on his own. As I said in my speech, I do not think that is the way the world should work in 1991. If we are going to ensure that we do have continuing peace and security and are not subject simply to the whims of a superpower, we must hope that the world determines mechanisms that can ensure, first, that action is taken when it is necessary; but, second, by doing that we establish, a series of precedents to demonstrate that there should not be a double standard and to prevent the need for collective security from arising. That can only happen when we really do have a clear system in international law that has proven to be effective and workable. And I think we have lost that.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): During the time that I have been in this House, I have felt uneasy about being a Canadian on a number of occasions, particularly with the passing of the free trade agreement, uneasy about Canada's loss of its independent economic objectives, with the slashing of social programs, with what that has done to the caring and compassionate society that Canada has a reputation for. But never have I felt so uneasy about being a Canadian as I have over these last few days at witnessing the outbreak of war against Iraq and this government's actions. I know that many Canadians share that unease. I will mention the extent to which my constituents have voiced their concerns to me in a moment.

Canadians know that this House is debating whether or not going to war against Iraq in pursuit of efforts to get Iraqi troops out of Kuwait was right or wrong. It has taken place, but that is what we are debating now, as to whether or not it was right or wrong.

Let me at the outset make my position perfectly clear. Along with millions of Canadians, I am firmly opposed to this government's decision to support war. I am opposed

to this government's decision to deploy Canada's young men and women in an offensive military role. I am opposed to this government's decision to involve Canada in an unnecessary and deadly war.

• (2230)

The decision to attack Iraq was and remains a morally unacceptable one. War in all its forms is madness. It seems incredible that the lessons of the past have not been learned. Have we learned nothing over the years? What will it take for this government and for President Bush to realize that the military offensive will solve nothing?

We all have a moral responsibility to stop this madness, to stop the carnage, to stop the killing of tens of thousands of people who just happen to have been born in Iraq, people who have no responsibility for the actions of Saddam Hussein. This war will have and is having severe political, economic, environmental and human costs, costs that could have been avoided if this government, the U.S. government and other governments had been as committed to peace as they have been to war.

This war is madness. Church groups the world over have pointed out that the unspeakable loss of innocent civilian lives is unacceptable on moral grounds. There can be no getting away from that. Those who support this military offensive have no choice but to accept some responsibility for the so many innocent people who have been killed and who will be killed as a result of this military offensive against Iraq. That is my position and that is as clearly as I can state it. But let me also make it clear that I share the world's revulsion at the actions of Saddam Hussein. It is reprehensible and immoral, and there can be no getting away from that.

Let me also say that I wish for all Canadians involved in this war a safe and speedy return home.

I have wondered why over time this government appears to forget that people actually suffer from its practices, principles and legislation, from its attack, for example, on this country's social policies; that children actually go hungry because of its policies and by its refusal to put justice ahead of big business interests; that over 40,000 children die every day on this planet because Canada and other so-called civilized countries pursue the international policies they pursue, such as selling Iraq and other dictators around the world the arms that they use to destroy innocent women, men and children.

As has been so clear over the last few days, war cannot resolve long-standing conflicts. It will only explode them wider and deeper. This war will not stop aggression but rather will accelerate the cycle of violence and revenge, and this may not be restricted just to the Middle East.

After this madness is over, then what? The killing of thousands of innocent Iraqis, Israelis, Saudis, Kuwaitis, and soldiers of the so-called allies, and injuring so many more, could well make it impossible for post-war diplomatic efforts to overcome. This massive attack on Iraq is no basis on which to build a new stable order in the region or in the world. Most likely, it will lead to years, if not decades, of vengeance and make it impossible to bring about reconciliation.

The NDP has a long and distinguished record in arguing that peaceful solutions must be sought to resolve disputes. That has not always made the New Democratic Party popular. But we and many before us have maintained these positions because we have been confident that they were, are and will remain morally right. Nothing made me so proud than to stand with my colleagues in the NDP in this House earlier this week when we alone of all members of this House voted for peace against war.

That resolution read that we support the sanctions and other activities of the United Nations, but that such support should exclude the involvement by Canada in a military attack on Iraq or Iraqi forces in Kuwait. Only the members of the New Democratic Party supported that resolution. Only the members of the New Democratic Party chose peace over war.

We alone among Canada's political parties stood with the majority of Canadians who demanded an end to the violence as a means of resolving disputes, who called for an end to the build-up to war, who called for an end to the madness, who called for peace.

We lost that point, but so did Canada and Canadians. In spite of their opposition to war and their call for peace, Canadians were dragged into war by this government. We in this House had the opportunity to speak out against Canadian forces being used to attack Iraq, and only the New Democratic Party stood with Canadians in voting for peace and against a military attack on Iraq.

While we have been urged by this government to fight for freedom and democracy in the Persian Gulf, we must remember that war is the very negation of both freedom and democracy.

The U.S. and its allies, including Canada, might win this war but only by adopting the self same tactics which we all condemn in Iraq. Canadians are appealing to this government to stop this resort to brute force and to work constructively for peace. The people of Saskatoon–Clark's Crossing, the part of Canada which I am proud to represent in this House, have been telling me to speak out against military intervention. They have told me about their conception that this war is madness, and how sad and betrayed they feel as Canadians at having their government commit our young men and women in the gulf to attack Iraq.

The people of Saskatoon–Clark's Crossing have spoken out with only a few exceptions against this war. My riding has a significant population of Canadians of Mennonite heritage. They have a fine tradition of not only speaking for peace but of acting for peace, and acting in a peaceable manner. Their ancestors suffered because of their commitment to non-violent dispute resolution and I have heard from a large number of them. They have spoken out for peace and with disappointment at this government's decision to take Canada into a war.

I am reminded of the Cuban missile crisis when then Prime Minister Diefenbaker refused to be drawn into a potential war with Cuba, which the U.S. threatened to do. And that was in our own backyard, so to speak. Mr. Diefenbaker stood for an independent military role for Canada and we all were, and are, thankful for that. This government had the opportunity to stand for the same thing and refused.

As many experts point out, it seems that a so-called victory against Iraq will only lead to greater instability, greater hostility and greater conflict in the Middle East. It will not, it cannot solve anything. There will still need to be diplomacy and peacekeeping efforts after this war is all over.

Where once Canada would have had the international credibility to participate actively in these critical and creative activities it has, by its declaration of war against Iraq, forfeited any credibility in this dispute and perhaps in disputes to come. Canada cannot expect to be an enemy one minute and an impartial arbitrator the next. For many Canadians this is the saddest part of this whole episode. Canada's reputation as a peaceable, peaceful and peacekeeping country has been seriously compromised. It is tragic indeed that one of the first results of the end of the cold war is a war. Have we really learned nothing?

Let us not forget the advice of so many experts, including the head of the CIA, William Webster, and United States Admiral Crowe, former Chairman of the Joint Chiefs of Staff, that sanctions were working and, given enough time, would have worked to get Iraq out of Kuwait. Impatience and suffering do not justify war and even greater suffering.

In terms of support for the United Nations, we in the New Democratic Party and I personally, have supported every United Nations resolution which advocated a peaceful resolution to the crisis. We supported 11 out of the 12 Security Council resolutions. However, we did not support UN Security Council resolution 678 which imposed the January 15 deadline for Iraqi withdrawal and which authorized the use of force after this date. We oppose that resolution and we will continue to oppose that resolution. The United Nations Association in Canada is also concerned about the role that the United Nations played in this conflict.

I think that we will find over time that the United Nations has been irretrievably harmed by its actions over the last few months. Canada still has a role in resolving and stopping this war. Canada should work with all its energies towards diplomatic efforts to stop this war. It should press for an international conference aimed at resolving the situation in the whole Middle East region. It should argue for effective measures to resolve conflicts in the region, including solutions to border disputes. It should provide any and all humanitarian aid it can.

It should work as hard for peace as some have worked for war. Canada can offer so much, could have done so much, and can continue to do so much for world peace. It really is tragic for all of us that instead Canada chose war.

In closing, if the Prime Minister wants a fight, if there is a fight, I will fight with him. If there is a war, I will fight with him the war against poverty in this country and around the world, the war against hunger, the war

against homelessness, the war against violence and racism, the war against unemployment and the abuse of women and children, the war against illiteracy, a war in favour of saving our planet and protecting our environment, and a war in favour of ensuring dignity for all Canadians. I will fight that war with him, but he needs to get his priorities straightened out. Money was available for war but not available for hungry children.

• (2240)

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, when you unleash the dogs of war, you never know on whom they will turn.

[*Translation*]

That is my message to the aggressors of this world.

[*English*]

On August 2, Saddam Hussein invaded a smaller neighbouring country. At that point, our government did not see fit to recall Parliament. However, the United Nations Security Council deplored this act and unanimously imposed economic sanctions on August 6. Still, no recall of Parliament, until the very end of September.

During the fall session, little information was given to Parliament. Sanctions were not given enough time. No report was given to Parliament regarding sanctions. The government decided that it would be best just to meet in cabinet—

[*Translation*]

. . .secretly, never providing any information. The government always kept Parliament in the dark.

[*English*]

The government refused to have Parliament meet at the end of December and waited until January 15, a very infamous date. Prior to the Christmas season and after, it preferred committing our military to the gulf without proper debate and without giving sanctions the proper amount of time. That I deplore greatly, because it does not inform the full Parliament, it does not provide for unity in Canada when we are faced with a major horrific catastrophe in the world.

Did the sanctions work? Never has the committee of the United Nations ever reported on it. Our government did not report to Parliament. We have heard that it was 40 per cent effective and becoming more and more effective. This is what we understood.

[*Translation*]

But it was always information received indirectly, from outside sources.

Was enough time allowed for the sanctions to work? We don't know. Our party was in favour of negotiations and peace. Our party wanted sanctions but at the same time insisted on peace negotiations. That is the whole philosophy of the Liberal Party.

I heard the Prime Minister and members of cabinet mention Mr. Pearson's name several times. It was Pearson here and Pearson there, but always to justify their position, their philosophy, their approach. I noticed they always took what Mr. Pearson said out of context, to justify their own decisions. What I find really sickening is the way they suddenly changed Canada. This country used to be a proponent of peacekeeping.

[*English*]

Canada used to be a world renoun peacekeeper until our present government changed this.

How will we ever become neutral peacekeepers from now on? This is really a very important question. This is really a turnaround in Canadian policy. We did not give sanctions, in my estimation, enough time.

If the government finds that this is incorrect, then I would add that it did not give Parliament enough information to know whether or not sanctions had been given enough time. All this time the Prime Minister made arbitrary decisions.

I made a survey in Carleton—Gloucester prior to the infamous date of January 15. We discovered that people wanted a negotiated peace and preferred sanctions.

[*Translation*]

On January 15, I met a group of students from a school in Orléans, the École élémentaire Reine-des-Bois, accompanied by their school principal, Mr. Ouellet. The students arrived with a huge sign, a petition signed by all the students and asking the government and Parliament to discuss peace and only peace.

Phone calls and letters I received from my constituents in Carleton—Gloucester were about peace, not war. Parliament was not reconvened until January 15. I was here every day during the holidays, except for Christmas, and I noticed several members of the opposition were

here as well. We still hoped the government would be called back. Unfortunately, our Prime Minister preferred to act as though the British parliamentary system did not exist. Under this system, Parliament must sit so there can be dialogue and debate and the opinions of all parties can be heard. That did not happen. The only thing we saw was the Prime Minister acting like a company director.

[*English*]

—the Board of Directors to make decisions and then only to inform the shareholders.

[*Translation*]

In the motion that was presented and which I will quote in my speech, the government moved, on January 15 of all days:

[*English*]

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

[*Translation*]

My conclusion is that this kind of motion is fuzzy, unspecific, and full of interpretations.

[*Translation*]

The Liberal amendment moved that day was worded as follows:

[*English*]

> That this House reaffirms its support of the United Nations in ending the aggression of Iraq against Kuwait through the continued use of economic sanctions, such support to exclude offensive military action by Canada at this time.

That is *le quinze janvier*. There was no military offensive, *autre mots*, at this time. This was voted on, may I point out, prior to the 6.45 p.m. announcement of war; the hostilities had taken place.

The NDP amendment read:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait through the continued use of economic sanctions, such support to exclude the involvement by Canada in a military attack on Iraq or Iraqi forces in Kuwait.

That meant, *autre mots*, no military offensive ever.

[*Translation*]

And that is still the NDP's policy: Never defend yourself. However, at 6.45 p.m. on that fateful day after the motion was presented, the attack started and war was effectively declared.

• (2250)

At this point I would like to quote a letter sent to the Prime Minister by the Canadian Conference of Catholic Bishops on January 18, 1991. I will quote only the most important part—and this is from the Canadian bishops—which reads as follows: "We maintain this war should never have started. Economic sanctions and diplomatic mechanisms were not given enough time to be successful". The letter was signed by Robert Lebel, Bishop of Valleyfield, President of the Conference.

Hostilities started at 6.45 p.m. on January 16.

[*English*]

The motion by the government then became in my mind absolutely redundant. The government agenda is really the question here. What was its political agenda? Was it double-tracking with military the agenda of another country or countries? What did our government know?

[*Translation*]

What did it not share with all members of Parliament? I say the Prime Minister did not share that information. We all heard on television about the President of the U.S.S.R.

[*English*]

The President of U.S.S.R. apparently was informed one hour prior to the invasion. It is a well-known fact that when hostilities of this nature occur, especially when the United Nations is involved, the major country involved informs colleagues, friends, especially allies, and most especially those with whom it is going to fight shoulder to shoulder.

I suspect strongly that the Prime Minister knew before 6.45 p.m.—and he knew when he tabled that motion—that war was to take place the very same day he convened Parliament. He knew and did not inform Parliament. I do not find that proper in a parliamentary system.

The government motion, in my mind, is now irrelevant; it is redundant.

Saddam Hussein then decided the next day, January 16, to attack Israel.

[*Translation*]

I think Saddam Hussein is a devil and a madman. We should put in his place right away. We now have another ally to defend, in this case Israel.

[*English*]

I must congratulate Israel for the restraint it has presented to date.

[*Translation*]

It has been attacked constantly. It knows how to defend themselves, and I admire Israel for holding back now. I condemn Saddam Hussein for attacking a country that was at peace, a country that did not attack first. We must protect our allies. We must protect the other countries.

We know that 6.45 p.m. is now history. Hostilities have started. There is a war on. I think this whole debate has become redundant. I fail to understand why the government is so anxious to have members debating all day and all night, non-stop. We should take advantage of this moment to unite.

Look at Israel, for instance. Are the parties in Israel's Parliament at each other's throats, launching accusations, making stupid remarks and contradicting each other? No, they are united. That is what we should be today. Now that hostilities have started, now that a war is on and Israel, a country that was at peace, is being attacked, we must realize everything has changed. The Parliament of Canada, the government, the opposition and independent members should stand together, because our common objective is peace.

[*English*]

We must stand together. We must support our Armed Forces in the gulf. Presently their activities are in sweep and escort operations *que j'appuis*. I have one compliment to give to our government, and that is its decision to provide a field hospital.

[*Translation*]

I am sure that all Canadians will agree, whatever their political affiliation, that providing a field hospital is a positive gesture, entirely in line with the philosophy of Lester B. Pearson.

[*English*]

That was a proper decision, if there was one. This country must support the United Nations. This country must be united. Parliament must be united. The allies must be united. We must be united in all our actions to secure peace.

[*Translation*]

I have to say this, and I am not ashamed, that every night before I go to sleep, I pray for our forces and for peace. I would urge everyone who is not actively involved in activities in the gulf, other than talking, dialoguing and trying to find a way to bring peace, to find time during the day to say a prayer for peace, for mankind, for the men and women involved, whether they are on active duty in the Persian Gulf or happen to be parents in Canada, the United States or Europe, throughout the world. Our main purpose in life should always be peace and happiness for ourselves and others during our short lives on this earth.

[*English*]

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I have an observation, a comment on the member's speech. One of the things that I wanted to clear up for the record is the fact that the Secretary of State for External Affairs did report to the Standing Committee of External Affairs and International Trade on December 10. On that day he went through the use of sanctions and the effects of sanctions on Iraq. I just wanted to bring that to the member's attention.

In summation on December 10, 1990, the minister said that sanctions were necessary but not sufficient to meet our declared objectives: the withdrawal of Iraq from Kuwait and the restoration of its sovereignty and legitimate government.

I wanted to bring that to the member's attention. I do not think it is a whole lot different from the conclusion of his former leader on Wednesday in this House. The member handed out a compliment to our government. I

will hand out a compliment to the member in exchange. Although the member disagreed with his former leader on Wednesday, I do give him credit for sitting here, on camera, throughout that speech. I think that tells us something about the member in question.

• (2300)

[*Translation*]

Mr. Bellemare: Mr. Speaker, I thank the member for Carleton—Charlotte for his compliments. I always admired his sincerity.

I want to tell my colleague who made these comments in response to my speech, if I may, that it is in fact up to cabinet to give proof of the effect of the sanctions, whether they worked or not. We should not have to play guessing games and government backbenchers should not have to make comments. I suggest the burden of the proof lies with the ministers.

Before closing, I must remind the hon. member that a UN committee was to report on the sanctions. As far as I know, there has been no such report yet, unless the hon. member or the Prime Minister are once more withholding information from members of this House.

[*English*]

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, as you have probably noticed, today the focus of the debate is rapidly shifting, if not by the hour, certainly by the day. When we started debating the deadline for the sanctions, diplomatic initiatives came to mind. There was still hope and still some time left. We have gradually moved from that analysis in our debate to a discussion of the role of the armed forces on escalation, to bringing hostilities to an end, and to rebuilding peace on the ruins caused by this war.

Parliament was recalled when the clock was almost striking midnight. It was at the very last minute that Parliament was recalled and it certainly did not give parliamentarians a sense that our debate and our vote was meaningful in relations to the events outside this building and away from the Hill. Unfortunately, that was not an isolated case. There is a pattern.

I would like to remind you, Mr. Speaker, that in August of last year Canadian ships were committed by the Prime Minister after he met President Bush and two weeks before the United Nations Security Council approved the sanctions on August 25.

In September, Canadian CF-18 aircraft were committed 10 days before the recall of Parliament.

I must also bring to your attention the fact that Canadian ships had to delay their arrival in Suez in September in order to circumvent the legal requirements that Parliament be recalled within 10 days of a warship going on active service.

I do not need to remind you that in November, when the Security Council set the deadline of January 15, the Secretary of State for External Affairs downplayed the deadline by calling it artificial. Well, events have shown us how artificial that deadline was.

In January, Parliament was given 13 hours this week before the deadline came into effect to start the debate. When the bombs began to fall on Baghdad, we found ourselves in the midst of this debate.

Evidently, there is something wrong in the consultation process on the part of the Prime Minister with his own Cabinet and on the part of the Prime Minister with his own Parliament.

The people of Canada, of whom Parliament is a reflection, have not had much to say in this debate. Canada went to war before Parliament could complete this debate. The decision of course was made some time ago, long before Canadian CF-18 pilots would escort bombing runs over Iraq and Kuwait, and long before KC-135 tanker planes would refuel U.S. bombers in the gulf region. This lack of participation on the part of the Canadian people through its parliamentary system is only one of several disturbing facets of what has happened in recent weeks and months.

At this stage, as we are concluding this debate tonight, we realize that the demands of the war machine are virtually insatiable. There will be demands for more Canadian participation. There will be demands for ground troops, for combat troops and the like. We do not really know where Canadians stand on this matter. Maybe it would be fair to assume that the Canadian public is as divided on this matter as this Parliament is. It is legitimate to ask whether Canadians want war to resolve the Kuwait problem. Do Canadians want to see Canada participate in a U.S.-led war, mandated by a Security Council consisting of only 15 nations, albeit very

powerful ones? Do we, as parliamentarians, really know what lies ahead?

There are several dangers that must be outlined and put on record, as we can see them today, on behalf of the Canadian people who expect us to make a decision and cast a vote with the best of our ability to look into the future.

The first danger that might face us very soon is that this war might become a confrontation between the West and the Muslim world. It is an horrendous prospect. If this were to happen, it would turn the clock back, not a decade, or a century, but several centuries. It is something that must not happen, but it is a very possible danger.

Another danger that comes to mind is that of a complete dissipation of Canada's international reputation as a referee, as a peacemaker, and as a nation that does not take sides in a war, but does attempt to resolve conflict and has the confidence of the parties involved. This is a role that Canada has increasingly enjoyed in the world. This is an asset that is very important abroad because it has an enormous amount of positive benefits.

• (2310)

This dissipation, is something that is of profound concern to many of us. It is a dissipation on the international scene which we are witnessing at home in a more tangible manner. We see it in institutions that bind east with west and north with south, institutions such as the CBC or Via Rail. Dissipation has also taken place in the last six years in federal–provincial relations.

A third area of danger has to do with the environment. This is not the time to go into greater depth in this matter. Scientists have elaborated and made some rather disturbing forecasts as to what could be the damage to the environment by the production of dangerous gases should an oil field take fire as a result of war activities.

Fourth, there is danger in the presence in Muslin countries of foreign aid projects which are run by western volunteers. Those initiatives have a profound significance in a variety of ways, particularly in Asia and in some parts of Africa, and they might be in danger if there were a serious backlash on the part of Muslin communities to the presence of western volunteers.

What must we do? We cannot stop at outlining dangers. We we also have to look at the future and explore, where we can, what Canada's role could be during these hostilities and after the conclusion of the war. I will just dwell on one of these two topics very briefly. That is the role of our Armed Forces which my colleague from Ottawa South has touched upon. It has a particular significance and could be of importance to our future.

I refer to the fact that we have fewer than 2,000 men and women involved in these hostilities less. In relation to the 500,000 Armed Forces personnel involved in that theatre as members of the U.S. led force, our participation is marginal. It represents probably less than 1 per cent of the total forces.

Our participation during this war, of course, can be of two kinds, one offensive and the other defensive, and we have a choice. We can make a choice between either of these two roles. We can make a decision and make a shift because the numbers involved are not so large.

I submit that instead of being involved in offensive exercises, such as air raids, fighting on the ground, attacking installations, and any other offensive activities of a military nature, we could expand and reinforce and become fully involved in medical services, support services in field hospitals, in the care of the wounded, in the protection of those involved in the provision of these services, and the like, in other words, in a humanitarian defensive role within a military context. I think that Canada would have enormous respect if it were to perform such a role. It would then not be seen as being part of an attacking offensive contingent with destructive motivations.

As I said, our forces are small and therefore it should be reasonably easy to shift our presence from the offensive to the defensive. It would also be a role that would be readily identifiable and permit us to build confidence in Canada in the Muslim regions of the world where these events are being watched very carefully and very closely.

When the war is over, hopefully very soon, the building of peace in the Middle East will have to start. We will be looking at the ruins and devastation, both in human and material terms. Confidence will have to be restored and it will have to replace confrontation. We will have to build confidence and we will have to build on

confidence. It is during these hostilities that Canada can lay the foundation for confidence building for the period following the war.

Therefore, the role of Canada's Armed Forces is of great importance from the point of view of Canada's particular interest and Canada's particular role internationally. There is an interest that we might look for.

We are a middle power. We will want to develop we will have to develop, new relations in this part of the world which by then will be war torn and in shambles.

In conclusion, at the same time we will have to look at a United Nations, its role, and the way it functions. In so doing, we will have to look at the charter under which it operates and at the Security Council which is its main engine and executive centre.

At this point in history, the charter is 45 years old. Obviously it needs to be re-examined and reshaped. It needs to reflect the new face of the world community, the family of nations, because today it has over 150 member nations, compared to the 60 or 70 it had in San Francisco in 1945.

If we do that—and I would urge that we should do that—the question of the veto power has to be examined. The veto power is given to the five most powerful nations, and they can determine the direction of the world at times by just saying no. We should be asking some difficult questions, including: Why should any of these five nations be given the power to say no? Is this power still relevant? Does it serve the interest of the world community? If it does not, then we should ask ourselves whether this power, which may have had historical meaning and been a necessity in 1945, ought to be removed so as to place all members of the Security Council on a equal footing.

This concept has emerged in recent decades in many other institutions where fewer and fewer privilege powers are assigned to a limited number of individuals. That concept has also to reach within the walls of the United Nations Security Council, I submit.

These and other questions must be tackled soon if the world community is to be truly reflected and represented through the decisions of the Security Council. As the charter is written now, I doubt that it is the case. I do not need to remind you, Mr. Speaker, that the decision of setting the deadline for the sanctions made by the Security Council has set history in a direction which we, on this side of the House believe to be the wrong direction for humanity to take.

• (2320)

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I have just a short comment on some of the opening remarks of the hon. member in relation to public opinion and whether or not we are doing the right thing.

It is up to the people of Canada to determine whether the government in fact is doing the right thing, but I would like to quote some numbers. I know it depends on whose figures you are looking at and whether they are right or wrong. They are from January 17.

The majority of Canadians, 71 per cent, approve of Canada's actions to date in the gulf. This represents a change from January 15 when it was about 58 per cent. The majority of Canadians, 77 per cent, favour maintaining or increasing our military commitment. An interesting statistic is that only 11 per cent favour withdrawing all forces from the region. Of course, withdrawing all forces from the region was a position that the Leader of the Opposition took just four short days ago.

In response to public opinion, no one knows whether they are right or wrong, and I don't think any politician should put his faith in public opinions. For what it is worth, I just wanted to pass that on to the hon. member.

Mr. Caccia: Mr. Speaker, I suppose that implicit in that information on the part of the member is the question of whether or not I concur with his findings. As he quite rightly pointed out, it is a well-known fact that one selects statistics very carefully in order to make one's point, and I am sure the hon. member has chosen those statistics very carefully.

The hon. member also knows that Gallup polls change considerably and that the very same data could dramatically change almost overnight if casualties were to begin to happen. That was demonstrated by a poll taken in the United States where the support of American public opinion would decline very rapidly as the number of possible casualties increased. In a way, that is a sad statement because it would seem that we assign a price to life that depends on the number of victims and it determines whether or not we are in favour of the use of

force, depending on the number of lives that would be lost as a result of that activity.

I would point out to the hon. member that according to him 11 per cent of Canadians were in favour of withdrawing from the region. Withdrawing from the region is not such a bad idea if we start with the premise that we do not believe in using force in resolving the situation in Kuwait.

For Canada to perform a role as a peacemaker or referee in this matter, maintaining its reputation, would not have been such a bad idea, withdrawing once the hostilities had started. It would have shown a high degree of sensitivity on our part for the solution for which we are all searching, a solution other than the use of war.

I would not be surprised if, in the weeks and months ahead, Canadian public opinion were to shift in a direction much less supportive of the war initiative than it is now. That process of declining support is already in place, in my understanding of the polls.

[*Translation*]

Mr. Marc Ferland (Portneuf): Briefly, Mr. Speaker. I have a question for the hon. member for Davenport. The member and most of his colleagues referred to various types of sanctions and suggested the sanctions against Iraq should have been intensified.

I would like to know if he agrees with the official position taken by his party on December 21, 1980. On page 4 of this statement, we read that it is the position of the Liberal Party that Canada should ask Turkey to cut off water supply and to restrict food supply. In other words, should we starve and deprive of water the civilian population of Iraq to retaliate to Saddam Hussein's aggression on Kuwait? Is that an acceptable position for a country like ours to refuse to implement the fundamental principles set out in the UN's Charter of rights which states that it is illegal to cut off water supply and deprive people of food, especially civilians?

Mr. Caccia: Mr. Speaker, I want to point out to my colleague that our party's position is clearly stated in the first part of our release.

We explained why we agreed with the government on one point, taking up what I consider to be a very positive stand. We also discussed the points on which we were at variance regarding the sanctions the hon. member referred to. The validity of that measure may be debatable, but our position should not be rejected on the basis of a detail regarding the implementation of the sanctions. We must take a global approach. It is true that, from an ideological point of view, we are taking two different stands. There is the position of the hon. member's party that war is the answer, and there is ours that sanctions are the answer.

We need more time to prove that political and economic pressures are the key to finding the appropriate solution. If my colleague wishes to go into the merits of this proposal, I am prepared to examine them with him. I am convinced that together we could come to an agreement.

• (2330)

[*English*]

Mr. Speaker: Is the hon. member for Okanagan—Shuswap rising with a question or comments?

Mr. MacWilliam: Mr. Speaker, I am rising on debate.

Mr. Speaker: I think I should indicate that there has been some discussion with the Chair as to the appropriate next speaker. I think I indicated to the hon. member for Laurier—Sainte-Marie that he might be next.

There is some concern about proportionate representation of speakers and I wonder if hon. members would just give me a moment to consider it. I want to be very fair here.

I want to say to the hon. member for Laurier—Sainte-Marie that I have had some discussion. Keeping in mind the number of members, the number of members of parties, and the number of Independents and members of the bloc who have taken part in the debate—and I know the hon. member for Laurier—Sainte-Marie would co-operate with the Chair—I am going to call the member for Okanagan—Shuswap, followed by the hon. member for Laurier—Sainte-Marie. We will then move over to a Liberal member.

The hon. member for Okanagan—Shuswap, and then the hon. member for Laurier—Sainte-Marie.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I appreciate your judicious judgment this evening.

It goes without saying that the last few days have indeed been difficult days for every member of this House, and I speak in a very non-partisan manner on this. This issue has faced Parliament over the last few days. When we initiated the debate on this resolution, we were in fact not yet in a situation of war. Since then, the situation in the world has preceded the debate in the House of Commons. Suffice it to say that the issue was whether or not Parliament should in fact be sending Canada's young men and women into battle and now the extension of the debate is to decide just what the extent of that commitment should be.

It is a very deep personal and moral issue that every member of the House has been struggling with over the the past week. That is why the New Democratic Party, in its wisdom, with regard to members voting on this resolution before the House, had decided to free its members to speak their own conscience and to vote freely as they felt personally. We were disappointed that the government did not see the merits of a free and unhindered vote on such an issue of personal conviction.

As we have debated over the last few days, profound changes have taken place in the world around us. There has been a failure to secure a peaceful and diplomatic solution to the crisis in the Middle East. With this failure, the 28-nation coalition of the United Nations has seen to exercise its final and tragic option. The world is once again at war.

No one can condone the brutal annexation of Kuwait by Saddam Hussein. I think I speak for all members to say that dictators like Hussein must never be allowed to oppress other nations. We made the mistake in the Second World War, and I think all nations were very concerned that we do not make that mistake again. That is why the 28-member coalition of the United Nations moved to turn back that aggression. That is why the international embargo against trade with Iraq was implemented. That is why the United Nations served notice that Hussein must withdraw from Kuwait. That is why the economic blockade was implemented.

This brings me to a critical point, the economic blockade. The economic blockade against Iraq was in fact beginning to bite and beginning to bite hard. Striking evidence was given back in December by the United States Director of the Central Intelligence Agency, Mr. William Webster, that the Iraqi exports had in fact at that time been slashed by some 97 per cent. That was even greater than the cuts that were made to the imports to Iraq, which were at that time slashed by some 90 per cent.

U.S. Defence Secretary, Dick Cheney, a few months ago said that the sanctions and the embargo were beginning to have an impact. It was back a couple of months ago. He admitted that the UN trade embargo had clearly been effective, and I quote, "in closing off the spare parts in military supplies".

The Baghdad regime was inexorably running out. It was running out of the commodity which it so desperately required, the commodity of money. Its oil reserves are the drip-feed of Baghdad's life support system. Without them, without the ability to sell its oil and use that cash to purchase armaments and supplies, I submit that the dictatorship would have ultimately perished.

It begs the question which has been asked time and time again in this House also why the decision was made to draw an arbitrary line in the sands of time on January 15 and say that at that date negotiations would cease and the trigger would be pulled. Why was that deadline imposed? Why was President Bush not prepared to allow time for the sanctions to bite harder?

There have been many arguments presented in the House with regard to that critical point. Some members have stated that it would take too long for the embargo to take hold. Others have said that it would be unlikely that the coalition of nations could have held together for that long. It would begin to disintegrate and therefore it would be emasculated. It has been said elsewhere that it would be too costly to maintain that embargo, but how costly is the price of war? How costly is the price of human life?

• (2340)

There have been other arguments, I submit valid arguments, that given time would also have allowed Hussein to muster the forces, to reinforce the troops, and to dig in even deeper. I am not a military strategist and I do not know the answers to these questions. It may be correct; it may not be. I am not in a position in terms of a military strategy to argue the truth of these points.

The fact remains that sufficient time was not given for those sanctions to take hold.

I heard an argument earlier this evening from one of the members on the government side that the economic blockade was in fact hurting the poor, the lower income earners, and the women and children of Iraq. Is bombing them more humanitarian and more humane? I submit that it is not.

The critical point that I want to make—and it has been made by other members of my caucus and it has been made by members of the Liberal opposition—is that insufficient time was given to exhaust all possible diplomatic and economic actions before that final tragic decision had to be made. Time was not given to squeeze Hussein until he finally realized he had to leave.

The war which now engulfs the Middle East may well have been inevitable. Perhaps waiting longer may have made it worse, but we will never know the answer to that question. I cannot help but feel that we may have moved in too fast. For the love of God, we should have waited longer. The price of human life is simply too precious to sacrifice. This war was premature and this war is also incompatible with the long-term interests for the area of the Middle East. It is incompatible with the restoration of peace in the area.

Canada's involvement with the economic blockade is very much justified and its continued involvement unfortunately now jeopardizes its traditional and historical role as a peacekeeping nation. It has tarnished our reputation. It has bloodied Canadian hands.

Having said that, I want to say: Don't get me wrong on this. No one can condone the actions of Saddam Hussein. No one can condone the atrocities that were perpetrated upon Kuwait. No one can justify the military annexation of another country. No one can tolerate the pillaging that took place, the plundering of villages, and the raping of women and children. No one can tolerate that kind of inhumane action. Hussein had to be stopped. That is, indeed, the bottom line.

Let us also remember that the apocalyptic scenario of modern warfare, with the chemical and biological weaponry, and the potential for nuclear retaliation, serves as a potent reminder that diplomacy has always been and will always be the best possible solution.

The economic sanctions were working. Given time, we could have ground Hussein into an abject and bloodless surrender, but the decision was made to discontinue the diplomatic path, to pull the trigger.

I want to submit to the House that it is really ironic when we look at it. It was the Americans themselves who armed Iraq, who trained Iraqi soldiers, who assisted Iraq in its fight with Iran, and who taught it the technology of modern warfare. Now we see the sleek missiles supplied by the Americans are in fact being launched against them. I think that fact alone speaks volumes about the ultimate consequences of the international arms trade.

We should keep in mind that the enemy is not the Iraqi people. The enemy is a dictatorial tyrant by the name of Saddam Hussein. I fear for the Iraqi people tonight for they are the ones who are to be the most devastated in this tragedy.

It is ironic that the technological wizardry of modern warfare has made it ever more deadly and pin-point accurate. Surgical is a word that has been used—and the same technology that has brought about modern warfare brings it right into our living rooms. We can turn it off. We can watch commercials. As we are having dinner, we can see the surgical strikes. It is in fact sanitized. It is a sanitized war. People have been clustered about their televisions watching commanders explaining surgical strikes and neutralizing targets, kicking ass, high-tech style.

It has eliminated the human element of war, the human tragedy of war. While it is very crucial we have the information through the media, at the same time I fear that it has desensitized this nation and will desensitize us further. It makes it easier to accept war the next time.

I want to put it into context with a passage written by Mr. Christopher Black, a Toronto lawyer and freelance writer. He writes of war, saying: "This country, for reasons still veiled behind platitudes of freedom and standing up to aggression, has begun the journey into a world of unimaginable terror, a world of disciplined and sanctioned murder, of gaping wounds and blackened burned flesh, of young men screaming in agony, of the inferno of flame-throwers, napalm, disintegrating planes

and tanks blazing in the desert night, a world of spilled intestines and swollen, stinking death". That is the reality. That is the human element of war and that is why all war is wrong.

This war need not have been, at least not yet. It was premature. It was unnecessary, but now that the trigger has been pulled it is no longer our choice. We are involved. I want to make it perfectly clear that in that context Canada, as a member of the United Nations has agreed to abide by these decisions.

Now that push has come to shove, it is my personal perspective that Canada should continue to play an active role within that United Nations alliance. But what should our role be? Should it in fact be an offensive role, a role of attack and destroy? I submit that it should not. Apart from the F-18s, Canada really does not have the kind of military muscle and the technological acumen to participate in offensive action.

Canada has a moral obligation as a nation known for its peacekeeping abilities to work within the alliance in a very positive way to seek an end to the tragedy of warfare. It can, and it should, play a vital role in the provision of medical and humanitarian aid. It can, and it should, continue to provide defensive cover for the ships in the gulf.

There is a role for Canada in this theatre of war. We simply cannot cut and run. But our role should be a role of humanitarian medical aid and defensive cover. It should not be offensive. It should reflect our continued resolve to right what has become a terrible wrong.

I have no doubt the resolution of this crisis will prove crucial to the collective future of the United Nations and in fact crucial to the future of world democracy.

As I close, I want to state again that dictators such as Saddam Hussein have to be stopped. That is the bottom line. That is the final option.

• (2350)

In addition to that comment, I can only say that it is tragically unfortunate that to do so the world community had to exercise that final option and enter the theatre of war. I hope and pray that we do not have to do so in the future.

[*Translation*]

Mr. Marc Ferland (Portneuf): I want to congratulate my hon. colleague on his excellent speech. I must remind him, however, of the efforts, unprecedented in the history of Canadian diplomacy, that were made to prevent this war in the Persian Gulf.

The fact is that, in the 16 weeks before the Gulf war started, the Secretary of State for External Affairs, had over 50 bilateral talks with various key players. If we ou add to that the other 50 or so multilateral meetings he attended, as well as the Prime Minister's many meetings and efforts, this certainly is the largest diplomatic move ever undertaken by Canada. It may even be larger than that undertaken during WWII or when Canada provided assistance to the UN in the Korean war.

Canada did make these efforts, but it would seem that members on his side of the House do not recognize the incredible efforts Canada made so that this tragedy could be avoided. I wish my colleague would at least recognize these facts and praise the government for these unprecedented efforts.

[*English*]

Mr. MacWilliam: Mr. Speaker, I certainly recognize the member's comments in terms of the historical action that Canada has played in both world wars and the Korean conflict. We did play a very proud role. Many Canadians never returned to their homeland as a result of sacrificing their lives in the cause of world freedom. There is no question about that. We all recognize that and do so every year when we attend Remembrance Day ceremonies throughout this land.

At the same time I would submit to my colleague opposite that the world is entering a new arena, where the active participation in warfare will someday no longer be required. Canada has to provide a leading role. As a traditional peacekeeping nation, as a nation that has sought to find the diplomatic option at all costs, Canada has to continue to provide that role in whichever way it can, even when other nations are in active war. We are in this war. Let us recognize it. We do have a role to play, but I do not think our role is necessarily an offensive military role.

Let us face it, we are not a superpower nation. Admittedly, we do not have the technological acumen and the training for offensive action that the U.S. troops

and the troops of Great Britain have. Traditionally we have played a different role in modern times. I think that we have to continue to do that.

Particularly in light of the conflict that is facing us in the Persian Gulf, we have to recognize that there is going to be great need for medical assistance. We are setting up a field hospital a few short kilometres from what could be described as the front line. We fully support that. The provision of medical aid is going to be a critical necessity if the war ends up being a protracted war. There is going to be a great need for humanitarian aid. With Jordan opening its borders to refugees, there is going to be a flood of refugees out of the Middle East. Canada must play a vital role in providing assistance for those refugees.

I recognize the fact that we had to seek the military option in previous years, but that does not mean that it commits us to an offensive military option in modern times.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): As I rise to speak in this debate, Mr. Speaker, Canada is at war and the prevailing sentiment is deep concern.

Those who were for war are wondering how long it will last, how many lives will be lost, and what will happen after that. Those who were against are wondering whether there is anything that can be done against that war. Should they give up and passively let the current carry them? And, like the others, they also wonder how many lives will be lost. Just where can this war lead us? Was it worth it, particularly when we see and hear since the beginning that an attack against Israel might very well trigger retaliation, and Israel would have every reason indeed to defend herself and protect her people against an attack?

That, however, would completely alter the course, the scope, and the intensity of the war. What would happen in Jordan, Syria, Tunisia, Morocco and Algeria under pressure from their people? Would they side with Saddam Hussein? And Mauritania and Turkey, are they not making Saddam Hussein the hero of the Arab world? Did the world, our planet, deserve to be drawn into such a risky endeavour, on the eve of the year 2000, in year one after the cold war?

Many hopes have been lost now, particularly among younger people. Polls show that Canadians are against war and want peace. I am glad to see these thousands of people throughout the world, even in the United States; I think about the 300,000 men and women demonstrated in Germany, and the many Canadians who took to the street in Quebec and Montreal marched for peace.

Right now that is the most encouraging indication for the future. That feeling of peace must now become the foundation of the new international order where state-to-state relations will be governed by right rather than might, something which, as early as the 18th century, Emmanuel Kant kept hoping for and called the universal republic. In this morning's *Le Droit*, Adrien Cantin wrote that we must prepare for post-war times right now.

It aptly sums up what I feel and what I think today. I did not rise to while time away, for as an elected member I believe that in such circumstances we do have a role to play. We have every indication that the people of Quebec and other Canadians want peace. Since the past is oftentimes our garantee for the future, it would be appropriate to examine our conscience. Questions have to be addressed to the government right here in the House. Why are we at war? How come we have reached this point?

We all know that the United States, Japan and the European Economic Community had domestic policy priorities with respect to this war, particularly their oil supplies. We all know as well that the United States play the role of policeman in the world, and is always closely linked to ever stiffer international competition to find and maintain new markets.

But does Canada have such domestic policy priorities? Oil? I doubt it, considering that Canada is an oil producing country. For example, Quebec gets only 1.2 per cent of its oil supplies from the Middle East, from Saudi Arabia. It could not be argued that this is an absolute strategic requirement. We also know that Canada has never used strong-arm tactics to secure a place on international markets, which explains our country's excellent reputation.

• (0000)

This is certainly why, when trying to justify our Armed Forces' involvement in this war, the Mulroney government never put forward any other argument then Canada's good name.

Again, there are more questions than answers. In what have Canada's best interests been better served since August 2, than since January 16, when the war started. Finally, has Canada a policy for the Middle East and, if so, what is it? How could the Canadian government drag us so deeply in to this war without being politically and morally responsible for the men, women and children who will die? How could it fail to explain to us, without being asked, what situation is likely to develop after the war?

Has Canada a policy for the Middle East? Has Canada recognized the need to call a peace conference for the Middle East, on the basis of all and I emphasize the word all—UN resolutions concerning that area? What is its opinion about the political stability of that area? Has it many proposals to make?

How does it think it will be possible, should the allied forces prevail, to ensure Kuwait's security? Does it know how long our Armed Forces will remain there? Does it feel that Canada's good name in the world has been enhanced by this diplomacy which does not reflect in any way our country's strategic interests and resemble much too closely, for instance that of the United States?

If Canada had actively pursued a new diplomatic approach for the Middle East, an approach based on the need for an international peace conference in that area, which would recognize the absolute necessity, definitely solve the Palestinian issue, to create a Palestinian state, I sincerely believe that Canada would have been better served, that its reputation would have been enhanced and that peace could have been maintained.

When I arrived here, my position was this: Denounce Iraq's aggression against Kuwait and demand the withdrawal of Iraqi forces; maintain the economic sanctions against Iraq with the participation of our military forces; oppose all active involvement of our Armed Forces in actual combat; and finally support as much as possible all diplomatic efforts which might result in an international conference on the Middle East situation.

This conference should deal with the problems of Kuwait, Lebanon, Cyprus, Palestine, as well as the whole issue of the relations between Israel and its Arabs neighbors. If we really want to see the light at the end of the tunnel in that region, taking into account the need to protect the strategic interest, of western countries and above all, the need to recognize the legitimate aspirations of these people, this international conference should address the following issues: first, the immediate withdrawal of Iraqi forces from Kuwait; second, the participation of all Middle East countries and nations, including the PLO; third, the PLO's recognition of Israel's basic right to exist as a state; fourth, Israel's recognition of a Palestinian State.

I wish to emphasize that all these conditions are contained in resolutions already adopted by the United Nations, an organization which would be called upon to play a vital role as the chairman of this conference. If we want to have a fighting chance at achieving our purpose, we should avoid at all costs the temptation of trying to identify the good and the bad. Refusing all absolutism, we should refrain from trying to interpret reality in black and white.

Saddam Hussein is neither the champion of the Palestinian cause, nor the saviour of the Third World, nor a martyr to the cause of Islam. He is a dictator who for a long time enjoyed the support of Western powers, including the United States. For that matter, George Bush is not a peace and justice loving man who is adverse to all forms of aggression. He has quite a track record, from Grenada to Panama in his support of a great many dictators, including precisely Saddam Hussein.

On the other hand, we should not overlook the fact that the U.S.S.R., an important member of the Security Council, took advantage of the Middle East crisis to crush violently the legitimate aspirations of the Baltic States. It is not by resorting to such analyses, therefore, that we will be able to grasp the full meaning of reality. The only possible understanding should be based on the recognition that all men and women have the right to live their lives to the fullest, that all people have the right to express themselves, and that all countries have the right to exist. These are high ideals, but they are the only ones on which to base a true international order which would guarantee the greatest possible social justice for all.

We should not overlook the fact that in the Middle East context such Israeli leaders as Menahem Begin and Yitzhak Shamir were once terrorists themselves and that, more recently, that it was only on the express order of the supreme court of that country that the Israeli government reluctantly agreed to give out gas masks to

Palestinians in the occupied territories, and only one per family at that.

As we must prepare for the after war period, Canada should position itself now on that basis, for this war will not eliminate the causes of the current conflict. I came here feeling that I could not support this war not because I am in principle against all wars, but because, in my heart of hearts, I felt that this war would not change anything in the gulf crisis, and the outbreak of the war has not made me change my mind.

Of course, my heart is with the men and women of Quebec and the rest of Canada who are directly involved in the war and who have been risking their lives every moment since last Wednesday. I fully support them and I sincerely hope that this war will soon be over for them. The Mulroney Government has never had and will never have my support for his action since last August 2.

We should not fail to see the forest for the trees. There are circumstances when people should not act against their principles, especially when these principles, rather than war harbour true and viable solutions for the future.

For these reasons, I will not support the government's proposal.

[*English*]

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, I have a quick comment to make and a question to ask.

I was quite impressed by the member's speech and discourse. I was impressed by the emotion with which he spoke about Canada. Would the hon. member be good enough to speak briefly on what he thinks Canada's role should be in this war, rather than the one suggested by the government?

[*Translation*]

Mr. Duceppe: Mr. Speaker, I suggest that the government would be well advised now to step up its diplomatic effort, for it is wrong to support that diplomacy ends in time of war. As a matter of fact, it becomes actually more intense, although it might not necessarily be visible for all to see.

Moreover, I suggest that the government should put pressure on the Americans who are definitely the true force behind the United Nations' resolution. They are in charge. Again, I suggest that the government should put pressure on the Americans and remind them that the intended objective, at least judging from the UN resolutions, is not to crush Iraq, but to ensure that the Iraqi forces leave Kuwait. Otherwise, not only would they not respect the spirit and the letter of the UN resolutions, but they would completely destabilize that area, and cause a ground swell of hatred against both the United States and the whole Western world. Canada should guard against that. I suggest that this is the type of action Canada should take at this time.

• (0010)

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I want to thank the hon. member for asking a question, because after 12 hours in the House, I want to be right next to the member for Laurier—Sainte-Marie. It's pretty hard to run to your seat to ask a question, so I appreciate the hon. member's initiative. I don't want the kids to think there is more than one of us when they see us first in one corner of the House and then somewhere else.

This is the first time I have heard the hon. member, a colleague from Quebec, speak to a matter of such importance. I am always disappointed that members generally show so little interest in international affairs. I am disappointed because I always said that one of the main reasons I was attracted to Ottawa, in addition to defending Quebec and my own identity, was my abiding interest in international affairs, and I think that as federal members our focus should be international as well as national. We don't belong at this level of government if we have no thoughts on the matter to offer our fellow Canadians.

My point is that I was pleasantly surprised by what the hon. member said. I was of course delighted, but not just because we seem to share the same views. After all, I have always respected colleagues who do not share my views, when they express them with a great deal of eloquence, intelligence and vigour. In the circumstances, some of the good speeches I have heard in the House so far included two by Bloc québécois members. The hon. member for Lac-Saint-Jean made a remarkable speech,

and in fact, in caucus I and several other members recommended that our colleagues read it very carefully. And this is certainly not someone who shares our political philosophy.

In the same vein, the hon. member for Laurier—Sainte-Marie provides a fresh and new outlook on this very dramatic situation. Another great speech we heard this afternoon was by the hon. member for Esquimalt—Jean de Fuca from British Columbia. I say, because it is getting late, and I wish people—I am not referring to members of my own party but to members of other parties—would read it. There is a man who must feel incredibly torn. He said himself: "I am a Jew." In any case, I felt I had to draw your attention to his speech, one of the great speeches like the one I just heard.

I do not really have any questions, except that I would like the hon. member to expand for a few minutes on the international conference which has never materialized. What does the hon. member think this conference would do for problems in the Middle East, since he referred to it in his speech?

Mr. Duceppe: I think that if the UN has a role to play, and people are talking about a new world order, there is a role here for an international organization. I think that role should be played by the UN. It should be made possible for Mr. Perez de Cuellar to hold such a conference.

Furthermore, as I pointed out this conference would include the PLO, provided it deletes from its Charter the statement that it does not recognize Israel's right to be a sovereign state. That is imperative. Similarly, I think Israel has an important role to play. What if Israel were to say: "We agree to having a peace conference and to having the PLO at the conference, we agree to a Palestinian State as provided in the resolutions passed long ago at the UN, provided the PLO recognizes Israel"? It is impossible to negotiate when one party is against the continued existence of the other party. I think that is obvious.

I think that is where we should look for a solution to these problems. Until there is a conference—today, there is a problem with Iraq. In 1967, it was Egypt, and again in 1973. There were problems in 1948. In 1956 it was Suez, and I forgot Cyprus and Lebanon—until there is a conference it is like a puzzle with a piece missing. At least at a conference, people will talk to each other.

The UN will be able to provide for ways to enforce its decisions, and I am thinking of economic sanctions, properly supported and applied by all countries, based on the legitimate status of the UN. I think that is how we must see international relations in the future, and not the way Foglia described this morning in *La Presse*, where he said he had the impression the Americans were high-tech to their fingertips but with as much brains as King Kong. That kind of approach is dangerous. It is very dangerous to let intellingence be thrust aside by technology. I am not blaming the American people. I respect them just the same. None of us is better than the next person, but we must let diplomacy take precedence over the tools of destruction. I think that is essential.

The Acting Speaker (Mr. Ferland): I want to thank the hon. member for Laurier—Sainte-Marie. The hon. member for Mississauga East.

[*English*]

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the lives of hundreds of Canadian men and women in the Persian Gulf may be snuffed out by the decisions made by this government. Politicians sitting in relative comfort and safety will again decide the fate of the soldiers on the front lines.

Cicero stated with moral authority that one should never cease to advocate for peace, for even peace—unjust as it may be—is better than the most just war. History has taught us that war involves such a train of unexpected and unlikely circumstances that no one can predict its conclusion or its consequences.

The aggression of Saddam Hussein most certainly merits the condemnation that he has drawn from Canada and the international community. We have been told of the atrocities committed against the people of Kuwait but there is no greater atrocity than war itself. Many of the same Kuwaitis whom we hope to free may not even survive their liberation. Iraqi civilians have already died and just hours ago Israeli civilians, who are far removed from the conflict in Kuwait, were struck by Iraqi missiles.

Our Prime Minister has said there was no other way. He could not wait any longer. He could not give peaceful measures any more time. The Prime Minister has told us that Canada must abandon its traditional peacekeeping role and join the assault on Iraq. Unlike the Americans,

the Canadian Parliament is not voting on a clear resolution taking our country into war.

For the past five and a half months this government has been creeping closer to war while denying at every step that it was going in this direction. It is the leaders of this government who are waging war, but it is the Canadian people who will suffer, particularly those in the Armed Forces and their families.

The United States Congress debated fully the arguments for war and the arguments for peace. By only a handful of votes, the United States Senate chose to press their nation into battle. Our own government, unfortunately, is not honest enough to debate the real issue at an appropriate and useful time. It was not until the day before the bombs started falling that the Prime Minister allowed debate on his government's decision to go to war. We are here tonight debating whether the UN should have given its permission for war to be waged when we know that war is already well under way.

The ministers of this government never told the Canadian public in a direct and honest way that they were dragging the nation into its first war since Korea. Once again, this government has looked south of the border for instruction. Once again the Canadian public has been bushwhacked.

The Prime Minister has said that the question before the House is a simple one. It may be simple for the government, but for the families of the Canadian men and women who will needlessly die or be maimed this question is not so simple. They will have to pay the real price of this war, not the Prime Minister.

The only noble war is the one that is never fought, that is prevented by leaders whose prime interest is the protection of human lives and who have an absolute commitment to the avoidance of unnecessary conflict. No such commitment has been shown in the Persian Gulf.

• (0020)

The experience in Southeast Asia taught us that, like pawns on a chess board, soldiers will be sacrificed. But the real players will shake hands and move on to the next game.

Barely 17 years ago, U.S. troops pulled out of Vietnam. Nearly 60,000 Americans had been killed and thousands more left maimed, paralysed, or psychologically dysfunctional. When the wounded returned home, they found themselves in veterans' hospitals that can only be described as slums. They faced a public that had already come to realize that the war they fought was immoral and wrong. Many of the same veterans sit in wheelchairs today and remember the role they played in the conflict that left one million Vietnamese dead and a landscape petrified by napalm and years of constant bombardment.

Vietnam was called a noble war, but there is little that is noble in killing hundreds of thousands of desperately poor people, people with few assets and no foreign interests. Today a new generation of soldiers, too young to remember the futility of Vietnam and inspired by Rambo and Schwartzneggar, are being sent to the new killing fields.

American forces are again fighting to restore a division of people imposed by another western nation decades before. Once again the enemy is a population that is overwhelmingly poor, people who will benefit the least from any spoils of war. These are the people who will be shot by American and British soldier, and bombed by allied, perhaps Canadian, planes.

The Prime Minister continues to cite human rights abuses by Iraq as a motivation to commit the greatest abuse of human rights possible, the atrocity of war. The Prime Minister allowed Canada to import $250,000 of oil each day before August 2, knowing full well that Saddam Hussein had used chemicals weapons against his own civilian population.

It is hypocritical for this government now to claim to be overcome by an attack of principle, when events no more horrendous took place in Kuwait. The decision taken by the U.S. to go to war over Kuwait is particularly unfortunate in view of the success that sanctions were having in punishing Iraq.

The problem with sanctions was that there was no guarantee Hussein would be out of Kuwait before the U.S. presidential campaign gets under way next year. All political leaders remember well how Margaret Thatcher used the Falklands war to propel herself to a second electoral victory.

Repeatedly, the Secretary of State for External Affairs asked if there was any evidence that sanctions were working. Surely he knows that the director of the CIA

reported in December that continued sanctions would have an increasingly damaging effect on the Iraqi military: the virtual depletion of Iraq's foreign exchange reserves by spring, the shut down of nearly all but energy related and military industries by the summer, a decrease in the Iraqi air forces's ability to fly regular missions after three to six months, and a deterioration of Iraq's ground and air forces after just nine months.

Contrary to what the Prime Minister told us, waiting for sanctions to work could have only made Iraq weaker and poorer, thereby saving Allied lives if military force were ever genuinely necessary. The war option is the most damaging of all possibilities for the region and the allies.

Let us not be fooled about the duration or the human cost of war. So far, 45,000 body bags have been sent to the region. The U.S. military must believe 45,000 could die there. The tragedy is that western culture has glorified war, the leaders who led their nations into battle, and especially those who died in combat. I wish we could attach as much reverence to those who manage to avoid conflict.

Today our nation has seen the results of the first two days of war. The first day, many thought that a U.S. victory would be an easy one. We saw an attack that looked and sounded like a scene from *Star Wars*. We did not see the carnage on the ground, the 150,000 people who at least one source said, were killed. Now Israel has been hit, once again fearing the use of poison gas against its people and their families. Saudi Arabia has been attacked. Turkey has visions of claiming the oilfields in northern Iraq. Both Syria and Iran are wondering what opportunities a crippled Iraq will offer them. A lasting peace seems less likely than ever.

The government has accepted responsibility for those Canadians killed and those killed by Canadians. For that is all that war involves, killing and being killed. There has never been a good war or a bad peace. Our nation, like a sailor tossed overboard by a captain intoxicated by the glories of war, has no option but to swim to shore, to see the war to its conclusion.

Our brave men and women in the gulf will do our fighting for us and deserve all the respect and assistance we can offer.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I have just a couple of comments and possibly a question. I take exception to a couple of things said by the hon. member and would like to clear the record.

At the beginning of her speech, the hon. member mentioned that the decision by the Canadian government to become involved in war would cost hundreds of thousands of lives. I just want some clarification on that, because I think the member knows full well that it was a collective action taken by the United Nations and not by Canada alone. In other words, Canada did not make the decision to start a war.

Also, I would like the member to comment on some remarks made by her former leader—in fact the leader under whom she ran under as a candidate in the last election. He dismissed the relationship that the member attempts to make between the Vietnam war and the Persian Gulf War. I want her to comment on the issue because he spoke very well on that and dismissed any connection or parallel between those two wars.

The hon. member for Vancouver Quadra told us that he dismissed totally the accusation that this is simply a U.S. war and that the U.S. has, in a sense, drawn every other country into it. He dismissed that totally. He told us that it is very much a UN sanctioned war in a sense. It is not a U.S. war, not an American war. He is very, very strong on that. I will quote his speech at page 17133 of *Hansard* of January 16, 1991:

> Nobody pushes the United Nations around, not even the United States. Not one nation, especially not the United States, is able to impose marching orders on that institution.

He goes on to say:

> No, this is not an American adventure. It is an United Nations action in collective security, one of the greatest historic developments of our time, certainly in my lifetime—

Perhaps the hon. member could comment on that.

Ms. Guarnieri: Mr. Speaker, I would like to thank the hon. member for his question. I believe I said hundreds of Canadian men and women. I note that the member asks me about hundreds of thousands of Canadian men and women who will lose their lives. Whether it is 100 or 100,000 lives, 100 are just as important as hundred of thousands Canadian men and women who might lose their lives. So I think we are quibbling about numbers.

• (0030)

I put an equal value or weight on a hundred lives as I do a on hundreds of thousands of lives. But as I mentioned in my speech, I do not see how the hon. member can say with such certainty the exact number of Canadians lives that will be sacrificed to a war which Canadians were not even aware was creeping up on them.

The hon. member asks me about my difference of opinion with the former leader of the Liberal Party. Obviously the former leader has his opinion and I have mine.

In return, I would like to ask the hon. member if he would be good enough to answer a question about a statement that the defence minister made on November 16, when I understand he was visiting the armed forces in the gulf. He told reporters that Canadians might consider participating in an attack on Iraq even without the sanctions of the UN. I quote: "Our preference is that if force is needed there would be a resolution endorsed by the United Nations, but we have not ruled out Canada's support of force outside the United Nations".

That is quite a cheeky comment to make, I would suggest to the minister.

I would like to ask a second question, if the Speaker would allow me to. What was the big rush to get Canada involved in this war? Where is Canada's national interest? Why did the Prime Minister, in an interview on December 28, say: "We are not getting ready for war," he kept insisting, "we are trying to secure peace. Should that change, we are going to know long in advance".

Subsequently he said: "I will go to the House of Commons and explain it and examine with them certain alternatives for Canada".

What alternatives did the government examine before launching Canada into the war?

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker. I would like to reflect upon an interesting observation. I wonder if the member might care to comment on it.

One thing that I have noticed just prior and subsequent to the war being called is that many, students in my riding of Okanagan—Shuswap have gathered together and have spoken very strongly with a united voice that Canada and the nations of the UN, the allied nations, should do whatever they can to find a peaceful resolution to this conflict, to give more time for the economic sanctions to work.

I just want to reflect on a letter that was written to me. Unfortunately it was the very day that the war was called that it arrived. It says: "Your constituents in the Okanagan—Shuswap gathered at the cenotaph in Salmon Arm on Wednesday in a silent prayer for peace. We would like you to send the attached message to the Government of Canada". It says: "A message to the Government of Canada via our MP Lyle MacWilliam: Hold off on military action. War as a solution is unacceptable to us. Give us sanctions, negotiations, and give peace a chance".

These are many residents in the Okanagan—Shuswap area. There has been a number of petitions from high schools throughout my area. Obviously the students, the young people in Canada, are becoming very concerned about the whole aspect of Canada's involvement in military action. I view it as a very positive sign that our young people are becoming involved and interested in these affairs and speaking out with a very strong voice. They are saying: "give peace a chance, utilize whatever efforts you can to find peaceful resolutions before exercising that final tragic option". I wonder if the member is finding the same thing in her constituency and if she has any comments she would like to make.

Ms. Guarnieri: I thank the hon. member for his question and his commentary. I think it is quite safe to say that we are kindred souls in this regard.

During the Christmas holidays I had the occasion to visit many of the schools in my riding. The number one topic was the Persian Gulf and the number one concern among the young ones was conscription. All of them, unequivocally, even at that time said that this government was bent on sending them to war. They were astute enough to realize that at that early date. Their number one concern was that they feared they would be drafted.

I would very much like to seek the assurance of this House that this government has no such intent on drafting young individuals who have never had explained to them the merits of this war, why we went to war, or what the national interest of this war is. Many of these young ones should be listened to. I also believe that this

government has turned a total deaf ear to what Canadians are thinking.

My office is continuously inundated with calls from people who fear that we have been misguided and have stumbled into a war that we should never have been into in the first place. I can say with great certainly that had we been the government, we would never have found ourselves in this situation to begin with.

[*Translation*]

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, I will try to make my speech although I have a severe cold. Still I hope I will be able to deliver all the remarks I have prepared. I want to join the debate because it has to do with an important issue.

The wide variety of opinions expressed in this debate is testimony to the democratic character of our parliamentary system where each of us is a living link. In these democratic precincts I want to make my contribution as a member, as a Canadian from Quebec. I am proud of the reputation our country has gained the world over as peacekeeper. Canada did achieve notable success by participating in the United Nations peacekeeping operations and peacefully settling various conflicts through diplomatic channels. This important factor must be kept in mind during the debate.

Unfortunately, diplomacy has been silenced and what we hear now is the roar of cannons or, more properly, missiles. Being Jewish, I will not hide the fact that the threats hanging over Israel tonight, right now if the news is correct, are present in my mind.

[*English*]

As a Jew, I have a deep and abiding concern for the welfare of Israel. Of course, this does not make me oblivious to the aspirations of others. I consider myself first and foremost a citizen of the world. Rabbi Harry Stern of Temple Emmanuel in Montreal used to say that there is only one race, the human race. I also know that Israelis yearn for peace with their Arab neighbours and with the Palestinians.

After hearing of last night's attack on Israel, my first thoughts were for friends in Israel. I hoped that they and other Israelis had not been hurt. We now know, of course, that innocent civilians died and our hearts go out to them and their families. We hope that Israel and Israelis will be spared further attacks.

This unprovoked aggression reminds us of the tremendous price Israel pays simply to exist. I am sure that everyone in this House supports Israel's absolute right to defend itself.

The Liberal Party opposed going to war on January 15.

• (0040)

That does not mean that we would always oppose war. Our leader said clearly in his speech to this House that we opposed going to war at that time. We believed that sanctions ought to be given more time.

I am not a pacifist. It cannot be said that the Liberal Party is pacifist in the sense that we believe that it is possible to do away with war under all circumstances. Unfortunately, that is probably not something that the human condition will ever attain.

Our position does not mean that we are opposed to the collective security provisions of the UN Charter. It does not mean either that, as some have suggested in this House, we are prepared to condone Saddam Hussein's aggression. Quite the contrary. We supported a wide variety of measures to make him pay for his aggression. The question is when to use the ultimate recourse of war, when to exercise the security provisions of the charter.

Last week, 47 members of the United States Senate and a good number of congressmen—I forget the exact number—voted against the use of force at that time. Our position is no different from those members of the U.S. Congress. War, the ultimate recourse, should only be used after carefully weighing a whole host of competing factors. Were the conditions right on January 15 or 16? Historians and political scientists will debate this question for years.

In debate in this House, we have heard arguments on both sides of the issue. On the one hand, the Prime Minister, when he spoke in the House, argued that with time and wealth Saddam Hussein would strengthen his arsenal. While sanctions had affected Iraq's exports and living conditions, Saddam would ensure that his armed forces received top priority. I do not think anybody in this House doubts that.

The Prime Minister also mentioned that Saddam Hussein had demonstrated limitless tolerance for the suffering of his people and there was no evidence that sanctions had caused a groundswell of discontent.

On the other side of the argument, the leader of my party observed that in September and October, President Bush, Secretary of State Baker and the Director of the CIA, Mr. William Webster, had all said that sanctions were working. I am sure that we have heard these figures many times in this debate. More than 90 per cent of Iraq's imports and 97 per cent of its exports had been stopped. Industrial production had declined by 40 per cent. The flow of spare parts and military supplies from the Soviet Union and France had stopped. My leader said that the United Nations Security Council should report on the effectiveness of sanctions. He argued that the use of force should be the last resort after all other avenues had been completely exhausted, sanctions and diplomacy included.

To try to gain some perspective on these questions, I spoke some weeks ago to a reputed national affairs analyst. She told me that she was not optimistic that sanctions would work within three or four years. Sanctions are premised on the assumption that the target population will rise up and overthrow its leader. Iraq was an ideal case from an economic standpoint, but perhaps the worst case in the sense that it has a ruthless leader with a powerful security apparatus.

Further, Saddam Hussein has shown his ability to build down his economy or, in other words, to reduce the standard of living of Iraqis. That was done during the eight or nine year war with Iran.

This analyst believed that there were really only two choices: one was to leave Saddam Hussein in Kuwait for three or four years; the other was the option that we are faced with now, namely war. These are both terrible choices.

The best thing you can say about leaving Saddam Hussein in Kuwait is that the *status quo* would have been preserved. In the view of the analyst I spoke to, Hussein would have had difficulty building his military capability. He would not have had great capacity to do further damage in the region.

Then there is the option of war.

No one can say where war may lead, how long it will last, how many lives will be lost or how many countries will be involved. Apart from the human costs, many agree that the political consequences will be equally terrible. War will bring with it political destabilization. Many questions must be asked about the peace that will follow. Here are just a couple: Will Iraq survive as an independent country or will it be divided between Syria and Iran? Will war lead to a Shiite government?

We have not begun to address these and countless other questions.

What I am saying is that war will bring with it human devastation and political consequences that may be worse than a prolonged occupation of Kuwait would have brought. That is, as I said earlier, a terrible conclusion to come to when we think of the devastation of Kuwait and its people. But again, we are weighing two terrible choices.

I would ask, had the opposite case been made, was war necessary to avoid even greater death and destruction that will result from war? Was Saddam Hussein in a position to do further damage?

With Operation Desert Shield, with several hundred thousand allied troops in Saudi Arabia, would Saddam Hussein have risked attacking Saudi Arabia or any other neighbour?

The argument has been made that war was necessary to stop Saddam Hussein from going nuclear. If we had evidence that Iraq was close to possessing a deliverable nuclear weapon, my view and that of our party would clearly have been different.

In November, *The New York Times* published a report in which it cited intelligence estimates that Iraq would require two to ten years to develop a nuclear arsenal. In an editorial, *The New York Times* offered the opinion that the Iraqi nuclear threat did not itself justify a military strike at this time. The editorial continued:

> The only long-term solution, short of unending military occupation, must be diplomatic. In the final resolution of the gulf crisis, the nuclear issue must be high on the agenda. All shipments of bomb-making material to Iraq should be embargoed, international inspections should become far more aggressive, and Iraq should be pressed to forgo building facilities that could be rapidly converted to bomb production.

Some may say that this is the view of a newspaper, *The New York Times*, albeit a fairly authoritative newspaper. It may or may not be right. However, before going to

war, I believe that we require persuasive evidence, which I do not believe was presented to this Parliament, to the U.S. Congress or to the United Nations.

There is another aspect of the strategy of the last few months that I would like to deal with at this time. It became apparent to me in the weeks leading up to January 15 that somewhat paradoxically the prospect of war gave undeserved importance to Saddam Hussein. Because we were all so fearful of the consequences of war, some were prepared to offer him all kinds of things in order to avoid a war.

• (0050)

If the UN had not set a deadline of January 15, if we were prepared to see sanctions through, then Saddam Hussein could have been ignored. There would have been no question of linkage to other matters. Saddam Hussein is a pariah. Without the threat of war, he would have played no part in international affairs until he began to conduct himself in a civilized fashion.

The events of the last few days in the Soviet Union also remind us that we must bring a sense of perspective to international affairs. While acting against Iraq to ensure that it does not benefit from its brutal aggression, we have to weigh this situation. I am not of course suggesting that what is happening in the Soviet Union is any parallel to what happened in Iraq, but there are many other incidents, many other tragedies that have taken place in the world in recent years which have to be kept in perspective.

Another point I would like to make is that no country is closer to the United States than Canada. I would suggest therefore that we not only owe the United States our friendship, but we owe it our judgment. The United States makes mistakes.

Prior to August 2 the United States, through its ambassador to Iraq, conducted itself in a rather astonishing fashion. I am referring to a discussion that took place between April Glaspie, the American ambassador to Iraq, and Saddam Hussein on July 25, just six or seven or eight days prior to the invasion of Kuwait.

After Saddam Hussein explained his dispute with Kuwait to the American ambassador, Ambassador Glaspie responded: "We have no opinion on the Arab–Arab conflicts like your border disagreement with Kuwait. I was in the American Embassy in Kuwait in the late 1960s. The instruction we had during this period was that we should express no opinion on this issue and that the issue is not associated with America."

The United States sent the wrong signal to Saddam Hussein, practically inviting him to go ahead and invade Kuwait. Since August 2, the world has paid dearly for this terrible mistake. Indeed, if we look at the history of American policy in that region over a period of the past 10 years there was a review on one of the American networks about a week or so ago, we cannot help but feel that American policy was sorely deficient in many respects, to put it mildly.

The debate that we are having here this evening may sound somewhat academic at this stage. That may be so, but the war will end and it will be necessary to revisit these questions if we wish to build the new world order that everyone is talking about these days.

I referred to the mistake the Americans made just prior to August 2 in their dealings with Saddam Hussein. Let us not forget also that it was the Americans, the French, the West Germans, the Soviets and a number of other nationalities that helped build Saddam Hussein's war machine. We have to avoid repeating that mistake in Iraq and in other countries. We can only pray that the war will end quickly and that loss of life will be kept to a minimum. Our thoughts are with the Canadian men and women serving in the gulf. We wish them Godspeed, Mr. Speaker.

I have heard some members during this debate speak of efforts in their constituencies to bring Muslims, Jews and Christians, people of other religions together. I would hope this war will lead to more of these efforts and that civilized, good relationships will prevail among all Canadians. If this war proves anything, it is that we have a lot of bridge building to do.

[*Translation*]

Mr. Marc Ferland (Portneuf): Mr. Speaker, I did appreciate the comments of my colleague. However I wish he would tell me whether he agrees with the position of his party when he talks about sanctions. Some of the sanctions that should be or should have been applied instead of declaring war would include, among other things advocated by his party, cutting off the Iraqi's water supply at dam sites located more to the north in Turkey or again cutting off the food supply line, a tactic which in either case would have victimized the civilian

population, not the military. As a Canadian, does he believe that this position would be acceptable to the people of this country?

Mr. Berger: Mr. Speaker, the hon. member wants to know whether I agree with the position of our party concerning the economic sanctions. These sanctions did not originate from my party, of course. They were imposed through a number of United Nations resolutions. These measures were endorsed by all UN member countries, certainly by those that had approved the sanctions, those that sat on the Security Council. Perhaps the economic sanctions could have been made stiffer.

With respect to the specific issue raised by my colleague, as I said a moment ago in my remarks, the purpose of economic sanctions is to convince people that the dictator must be overthrown.

By imposing still harsher economic sanctions, it might have been possible to prompt the Iraqis to get rid of Saddam Hussein but, as I pointed out in my remarks the analyst to whom I spoke was not overly enthusiastic because Saddam Hussein rules his people with such an iron fist that they would have a hard time getting rid of him. Unless I am mistaken, the economic sanctions did leave room for providing Iraq with medical supplies. I am not an expert in such matters but I think that basically the hon. member wanted to know whether I endorsed the economic sanctions, and the answer is yes indeed.

[*English*]

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, on the question of sanctions, it is ironic that the Conservative member would talk about cutting off the Tigris and the Euphrates River and the water supply to Iraq, and, indeed the food supply as sanctions. What the Conservative Party has chosen is a different form of sanctions.

• (0100)

The world is sanctioning Iraq. The Conservative Party would rather sanction the Iraqi people—the poor and the children of Iraq—out of a B-52 bomber with tens of thousands of bombs falling on civilian areas. That is indeed a sanction, a very strict sanction, and there is a suggestion by the Conservatives that ever-tightening economic sanctions are not appropriate.

A lot of my friends at CFB Comox, who have thought this out very carefully, do not want to be involved in this. They do not want to be killing Arabs because of the Prime Minister, the Secretary of State for External Affairs, and the Conservative Party. That is not why they joined the Armed Forces.

Clearly, the sanctions that the Conservatives want are dropping bombs out of a B-52 on women, children, and civilians in Iraq. The hon. member's attempt to discredit the Liberal member and the Liberal Party on the basis of ever-increasing economic sanctions is unbelievably callous. I would urge that member, rather than attempting to take that tact, to contact the Prime Minister and the Secretary of State for External Affairs and telling them to stop the war.

[*Translation*]

Mr. Ferland: On a point of order, Mr. Speaker.

I think my colleague from North Island—Powell River is mistaken. Apparently he is trying to tack the Liberal Party positions on me. Mr. Speaker, I for one do not consider that cutting off water and food supplies can properly be described as being economic sanctions.

[*English*]

Mr. Skelly (North Island—Powell River): Thank you, Mr. Speaker, it is an ironic manner of obtaining the floor.

I certainly do not have any problem with offering the Iraqis a choice with economic sanctions, be they military equipment and supplies or materials to run their society, and then gradually increasing sanctions to things like water and food supplies. The Conservatives have—

Mr. Thompson: I rise on a point of order, Mr. Speaker. Is the gentleman speaking on debate or in reply to questions and comments of the previous speaker? My point is simply this. He has rattled on in a most ridiculous way and has thrown accusations all around the place and I just think at this time—

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt you, but you know as well as I do that this is not a point of order, but rather a matter of opinion. Hon. members may have different views. We are at the questions and comments stage, and the hon. member is expressing a view which can be argued by other members. Right now he may indeed state his opinion, then the previous speaker might respond.

Again I recognize the hon. member for North Island—Powell River for a brief comment.

[*English*]

Mr. Skelly (North Island—Powell River): Thank you, Mr. Speaker, I would just like to say that the two Liberal members who have spoken have made very thoughtful speeches. I would think the attempt to discredit them a little thoughtless and—

Mr. Thompson: I rise on a point of order, Mr. Speaker. That is, again, exaggeration. The members were not trying to discredit members. It was a most thoughtful debate and we understand that. I think that it is totally ridiculous to suggest that.

Mr. Skelly (North Island—Powell River): This is simply a discussion. The point is that his speech was very thoughtful, as was that of the member for Portneuf.

But one cannot effectively sanction women and children and civilians out of a B-52 bomber, as the Conservatives are endorsing. That is not acceptable.

Mr. Thompson: Mr. Speaker, again it is—

The Acting Speaker (Mr. DeBlois): The time for questions or comments is over.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker. I rise this morning to engage in a debate that I never expected I would be participating in. Certainly, it is a debate that I never thought I would see the Parliament of Canada undertake. In fact, until the word came down on Wednesday night that we were in a situation of war and that missiles were actually flying toward Iraq, I never believed it. I never believed that Canada would actually go to war.

I believe that is a position many members of the House had. In the hours following that first announcement, while wandering the halls of Centre Block, I ran into many members who were dumbfounded, who were awestruck, who could not believe that this had actually happened.

Over the last two days, I have had time to think about it and I have been asking myself what is Canada's role in this regard. Why is Canada at war? Why are we going to war? What justification can there possibly be for that war? I have to come to the conclusion that there is no justification for Canada to be involved in a war at this time.

President George Bush has said,—and the Prime Minister has also acknowledged and indicated—, that economic sanctions simply were not working and we had to go to war. The economic sanctions that were being imposed have been the most comprehensive economic sanctions in the history of the world.

Last week there was a very eloquent debate taking place in the United States in which speaker after speaker, mostly Democrats, rose to point out the evidence that in fact economic sanctions were taking hold and that they were having an effect. There was evidence such as the report from the CIA which said that the war machine of Saddam Hussein was beginning to break down and, if economic sanctions continued for a few more months, they would begin the cannibalization of Saddam Hussein's war machine as the Iraqis would take parts from equipment to put on other equipment to keep it going. This is very sophisticated equipment and, without parts that were not coming in, the machinery would break down. The Gross National Product, as we have heard many times, was being strangled. It was a country that was having severe economic problems. Yet, we have gone to war. What has been the result of that war?

I was listening to a briefing from the Pentagon today as I was watching television. The general who was giving the briefing indicated that the war was going as expected. He said that in the 45.5 hours since they commenced the hostilities, they had conducted over 1,000 sorties per day. They had conducted 2,000 missions in the 45.5-hour period. He indicated that it was like two consecutive D-day operations. On D-day there were air raids of astounding proportions and he said they had two consecutive D-days. Presumably, there will be another one tonight, another one tomorrow night, and for the next few days.

The American pilots who are interviewed on television coming back from these missions have indicated that they have found virtually no resistance or very little resistance. In fact, they have made their raids and come back. We have heard rumours—unconfirmed, of course—that, besides knocking out strategic points, anywhere from 150,000 to 350,000 Iraqis have been killed, annihilated. They have ceased to exist. That is something that has to hit every Canadian right in the pit the stomach. In 45 hours, we have wiped out perhaps 350,000 people. Mr. Speaker, that is astounding.

• (0110)

What has been Iraq's response? The so-called coalition has lost perhaps eight planes. They are not sure if they have been shot down, if they have run out of gas, or what happened to them, and a few missiles have been lobbed into Israel. Granted, their response of lobbing missiles at Israel is not justified, but the response of Iraq has been extremely minimal compared to the impact that the American coalition has had on Iraq.

It leads me to believe, especially when they say it is going as expected, that in fact members of American intelligence knew what to expect. They knew full well that the Iraqi war machine, such that it is, was not a threat. They knew what the response was going to be. They did not know whether they were going to lose 8, 12, or 15 planes, but they knew they were going to have a devastating impact on Iraq. And yet they went ahead.

They went ahead despite the fact that economic sanctions were working. They went ahead despite the fact they knew that they were going to blow the hell out of hundreds of thousands of people in Iraq.

What was the reason for this? It was not a war intended to solve problems in the Middle East. The resort to war was not the last resort. It was not a war that was necessary to get rid of Saddam Hussein. This is a war that I believe was chosen by George Bush not to get rid of a madman—which certainly Saddam Hussein is—but rather to help George Bush get elected in the next election. Some crass politics, I am afraid to say, that are taking place.

A few years ago there was the situation of Margaret Thatcher who won a political victory as a result of her military victory in the Falkland Islands. George Bush is trying to repeat it here.

An hon. member: And so is Brian Mulroney.

Mr. Laporte: I am afraid to say that my colleagues are right. The Prime Minister is using the same sort of political belief and the same sort of mentality that George Bush is proceeding with.

Despite the rhetoric that has been taking place, the U.S. has to take responsibility for a lot of the situation that exists in the Middle East right now. The U.S. has to take responsibility for Saddam Hussein. He is in many ways a creature of the United States, much as Noriega was in Panama.

We have heard a lot of talk about an international peace conference for years. To a large extent—not totally, but to a large extent— it is because that peace conference has never taken place. For George Bush to stand up now and say that he has to get rid of this madman, in a self-righteous fashion, to save the world. There is a lot of talk coming out of both sides of his mouth.

What has been the Canadian role in this? We have this 28-nation coalition that exists. Canadians have fourth-largest contingency, behind the British and the French. Of some 500,000 allied troops, the Americans have 450,000. Canada has about 1,700. We have about three World War II-class ships and 25 planes, and that is our role. The role of Canada in this war effort is minuscule. If the Canadian troops and the Canadian planes are not there, there would be virtually no effect on the outcome of this war. Yet, why are we there? Certainly, we are not going to win the war or lose the war. That is for certain.

If one wants some crass politics—and I am sorry I have to tell my hon. friend opposite this, but this is the only thing that makes sense of why we are in this war— it is that the Prime Minister is getting something out of this. He is getting Canada a seat at the Mexico-U.S. free trade talks. Also, he is at 12 per cent in the polls and he is hoping to take advantage of the Margaret Thatcher-Falklands episode and gain some political points. He has nothing to lose. My friends opposite have nothing to lose at 12 per cent in the polls. They are trying to wrap themselves in the Canadian flag in order to gain something out of this.

What makes me very sad is that, although the Prime Minister has not resorted to the rhetoric of George Bush, where George Bush is going to go "kick ass", he has come very close. He is now talking of escalation. Last night, after the attack on Israel, the Prime Minister commented that perhaps Canada will have to escalate its forces.

If the rumours of sending 5,000 troops are true, how is that going to help the situation? They are certainly not going to knock out the Scud missiles going into Israel. They certainly are not going to have any effect in knocking out Saddam Hussein. It can only be for political advantage. When a government, a Prime Minister, or a President uses political advantage and uses crass politics and plays politics with the lives of human beings, that is about as low as one can go in politics.

An hon. member: Hear, hear.

Mr. Laporte: I am afraid that that is where this government has dropped to.

The New Democrats have been very clear on this situation. Our troops should not be there. They should have pulled out at the first indication that George Bush was going to enter into war. And make no mistake, it is not a United Nations war. It is an American war under the guise of the United Nations. It is not a coalition. Some people like the term "allies" because it brings up patriotic feelings. It is not an ally. It is an American-led attack with a few extra people along. That is what this war is. Let's make no mistake about it.

At the first word of any military action by George Bush, the New Democrats would have advised Mr. Bush that at the first bullet fired Canadian troops are pulling out of the region. We agreed with the economic sanctions and we are willing to take part in that. We think that Saddam Hussein has to be removed, but not through blowing the hell out of Iraqis. At the first indication of any shot, we would have indicated to George Bush that we are out of the region.

We should be taking a different role. We should be there as peacekeepers.

After the bombs stop, there is going to be a tremendous need for the reconstruction of people's lives in that region. Of the 350,000 people—or whatever the figure might be—some are soldiers, but many are families. They are children, women, men, and families just trying to survive in an area where, through no fault of their own, the world gone mad.

Canadians should be there to help in reconstruction. We should be taking our traditional role. There will be buildings collapsing after the bombs stop falling. There will be contaminated water. There will be bombs that hit the ground and did not explode blowing up. There are going to be all sorts of ongoing problems. There will be people who have been maimed for life through losing arms and legs and their sight.

Canadians should be taking a traditional role of peacekeeper. We should be willing to that. We should be sending in engineers and medical teams and have them ready to take on the role that Canada can best do.

We have no business being in this war. We will have no effect on the final outcome of the war. We can play a role as peacekeepers. We have destroyed our reputation as peacekeepers by taking part in this war and for that I am personally truly sorry.

Before I finish, I want to say that although we did not support it, the reality is that there are Canadian troops in the gulf. My thoughts go out to those troops and their loved ones. I know that all of us hope that those people come home. We certainly hope that there will be no more Canadian personnel sent over to the region.

• (0120)

I want to close by saying that when historians write their accounts years from now they are going to conclude that this war was a grievous error. When they look at Canada's role in it, I believe that it will be seen as a very large blemish in the history of our nation.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I find that the member's comments were certainly laced with cynicism and repugnant at the very best. I find that totally unacceptable at this hour of the morning. I think that he could find something a little more positive to talk about. He mentioned everything from the conspiracy theory to whatever. I am not sure about what he has been dreaming in the last couple of evenings, but I do not think it offered a whole lot to this debate.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I just wonder if the hon. member intends to keep disrupting the House with partisan comments. Would it be possible for you to ask him if this is his intention for the evening. Is that his assignment for the evening?

The Acting Speaker (Mr. DeBlois): Order, please. It is time for questions or comments. The hon. member has the right to express his perception.

I again recognize the hon. member for Carleton—Charlotte.

Mr. Thompson: Mr. Speaker, one of the points that I wanted to make—

Mr. Skelly (North Island—Powell River): I rise on a point of order, Mr. Speaker. You said you believed that the House would give him the right to expound on his perceptions, and I am asking if it is possible to put that to a vote of the House.

The Acting Speaker (Mr. DeBlois): I do not understand the comment of the hon. member. It is time for the question or comment period.

Mr. Thompson: Mr. Speaker, I know it is quite an ordeal putting up with some of these characters at this time in the morning.

One thing that I would like to point out to the hon. member, in all fairness, is that our Prime Minister just a matter of a few days ago wrote to the Secretary-General of the UN, Perez de Cuellar. He outlined some of the things that he would like to see happen based on consultations with many individuals, including some individuals in the House and certainly the Secretary of State for External Affairs, as to what we can do and what we would like to see happen on an international scale when this ordeal in Iraq, this nightmare, is over. I think that is a very positive contribution.

I hope that the hon. member can tone down the flavour of his comments and just reflect very seriously on the positive role that Canada can play when this thing is over.

Mr. Laporte: Mr. Speaker, I thank the hon. member for his question. I know he is very sincere.

I think one issue Canada is really going to have to look at is what affect the war is going to have on the Middle East. The Middle East is a very volatile area at the best of times and has been for many decades. The real danger that is happening now with this war is the possibility of escalation. If it does happen, we could have a catastrophe even worse than we have now.

I am speaking sincerely, but I cannot help being cynical because, if the government were sincere with diplomacy and really had the concerns of the world community at heart, it would not have supported this war. I do not know of any earthly reason, other than crass politics, why we would send over three ships and 25 planes, with a force of some 500,000 and hundreds of other planes, into that area. If there is a concern for diplomacy, I cannot understand why the government would not have taken other actions.

It is fine for the government to write letters. It is fine for the Prime Minister, but the actions of the government have not seemed to bear out its desire for real diplomatic action as opposed to some other crass politics that exist. I hope the hon. member is correct that the government's intentions are truly honourable. I have my doubts about that.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I have a question for the hon. member. In light of the comments from the government side of the House, it seems to me that many of us have been waiting for many months for any positive contribution from the government to the resolution of this crisis and to hear the traditional voice of Canada for peace and rational solutions.

I find what the government member has just said rather ironic. I would appreciate the hon. member's comments on it, when even now the Secretary-General of the United Nations is having to come to Canada to ask us what contribution we will make to reconstruction after the damage we will have wrought over the next days, weeks, or months, hopefully not years. What comment would he have on the total absence of a positive voice from Canada up until now?

Mr. Laporte: Mr. Speaker, I thank the hon. member for her question. I do believe that the hon. member opposite is sincere in his belief. I just think that unfortunately he is misguided, because it is very hard to effect diplomacy out of the guns of a CF-18 fighter. The diplomacy that the government is pursuing is going to cause potentially untold problems in the Middle East.

There has been a lack of leadership from the government. It is clear in many areas. It is clear that the diplomacy that the government has attempted to portray is non-existent. There is some verbalization from the government, but the government's actions have not demonstrated its words. The type of diplomacy that it has used is CF-18 diplomacy. That is not the kind of diplomacy that is good for the Middle East. It is not good for this country and it is not good for the world.

Some hon. members: Hear, hear!

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, when I turned on my television in the early hours of Wednesday evening and saw that my world was at war and realized that very soon my country would be at war, I was filled with a sense of despair. I really could not believe that at this time in our history, as what we call civilized people, we still thought that the way to solve world problems was to bomb, to destroy, and to kill.

I had to phone my children one by one to say: "I am sorry. I am sorry we have failed. We have failed all of you and there is nothing I can do about it."

Like all their generation, my children are wonderful young people. They are healers, they are builders, they are innovators, raised and educated to live in a world that values healing and building and using the mind to solve problems. They grew up believing that their country, as perhaps no other, stood for a new era, an era when the resolution of human conflict would be achieved to the greatest extent possible by the application of human ingenuity, determination, and compassion.

I do not know which I consider the greatest tragedy: that Canadian men and women and those of other nations with all the potential they hold are in danger of dying far from home, or that they are being called upon to kill others. Either is a tragedy. But they have been ordered to do so not by a vote of this Parliament, but by fiat, by a handful of men and women who sit safely here in Ottawa and put the lives of others at risk.

• (0130)

Our thoughts and our prayers are with them. I say to each and every one of them the Irish prayer: "May God hold you in the palm of his hand", and may you return safely to the family and friends you left behind. We admire and respect you and know you will give the utmost in skills and talent to the difficult job you have been assigned.

I pray too for the men and women of Israel and for the children who faced the last two nights and will face the nights to come with fear. We hear tonight that five more bombs have been dropped on Tel Aviv with even more destruction and even more fear. I express my deepest admiration for the handful of Israeli leaders who have resisted the natural urge to retaliate for the damage and devastation being done to their people. Instead of reacting with weapons, they have reacted with restraint, with courage and with wisdom. I agonize for those in the Jewish community in Canada who fear for their loved ones and their friends.

While I feel despair and a sense of tragedy, I also feel utter disdain for this government which has felt that the potential for destruction and death it was prepared to unleash was so inconsequential that the right of Canadians to speak out on this crucial situation through their elected members in Parliament could be ignored and shunted aside. As the world moved inexorably toward a war deadline, our Prime Minister silenced my right and the right of all members of this House to speak on behalf of those who sent us here. Barely 12 hours before the clock struck midnight on Tuesday, we were allowed to come back to do what it is our sworn and sacred duty to do.

What could be more crucial than to speak for our constituents on the issue of war and peace? Yet the Prime Minister waited until it was too late for more than a handful of us to speak before that horrible deadline. Why? Why did he wait? Why did he delay? Why did he deny the voice of Canadians when democratic assemblies around the world were meeting and debating?

The train of events is clear. He waited for the American Congress to meet. He waited for the American Congress to have its debate. He waited for the American Congress to hand the American President his mandate for war and he waited while the emissary from the American President came and got him on side. He waited until after the commitment of Canadian lives had been made to war before he came to this Parliament.

Parliament was locked out while he waited and the voices of Canadians were not heard. Only when the decision was already made and communicated to the United States were the voices of Canadians through

their elected members of Parliament allowed to be heard.

Even then the Prime Minister would not let this House debate the real issue. In his contempt for Parliament, he refused to put his intentions clearly before House. He refused to say that the question before the country is: Shall Canada go to war? In the aftermath, who can doubt that was and is the question? He continued to dissemble, to divert, to duck, to dodge and to deceive with some vague, abstract pretension that we were somehow, in principle, endorsing the United Nations. It was left to the Official Opposition to put the question squarely before Canadians, to state clearly our belief that Canada should do everything possible to enforce the removal of Saddam Hussein from Kuwait by economic sanctions, that if hostilities broke out in the Middle East, our troops should be brought home and Canada should prepare for its role as peacemaker and peacekeeper.

We believed and we still believe that the time had not yet arrived when war was the only possible means to force Saddam Hussein from Kuwait.

Even now, with bombs flying and people dying, with the lives of Canadians, Iraqis, Kuwaitis, Israelis, Saudis, Jordanians and those of numerous other nations at stake, the government refuses to be honest about its purpose.

On Thursday at noon, defence department officials provided us with a briefing. They were asked specifically what mission was the base for the strategic and tactical decisions they were participating in. Was it to get Saddam Hussein out of Kuwait, or was it to destroy the war machinery of Iraq?

We were told by those responsible for Canada's war effort that the mission was in line with the United Nations' resolution to get Hussein out of Kuwait. And yet this afternoon the Prime Minister said in this House that "We are engaged in a campaign to make sure that his, (Hussein')s, war machine can never again be used". And then tonight again, on radio, I hear the Minister of National Defence saying in response to the same question, that our mission is to get Saddam Hussein out of Kuwait. What is the honest story for the people of Canada? Is it not time we heard it? The Prime Minister, should tell Canadians the truth.

Tonight I heard the spokesperson for the Soviet Union regretting that missiles made in the U.S.S.R were used against Israel last night. The missiles may have been stamped "Made in the U.S.S.R.", but what is the country of origin of the droplets of nerve gas that may strangle the children? What is the country of origin of the biological warfare that the Secretary of State for External Affairs says may be unleashed against allied forces and innocent civilians?

From whence come the nuclear technology and the components of nuclear bombs that threaten the chain reaction that can destroy the world for human habitation? Who are the nations that for over a decade have armed the madmen of the world? Who are the governments that have based their economies on weapons and technologies of destruction and death, where every year their economies prosper on a new toy and markets have to be found for last year's models? Where are the nations who put international trade above the safety of the world and refuse to control the movement of arms?

Who are the merchants of death who do not care where their products end up as long as their dividends are up, who put profits above the sanctity of human life?

Let there be no mistake, about my intentions. The men and women who stretch the frontiers of science and technology deserve nothing but our greatest admiration. Their talent and their creativity are essential to the maintenance of mutual deterrence and the delicate balance that can preserve peace in our world. Their contribution to the advancement of human health and safety is incalculable. They are not the ones who have shirked the responsibility to stop the spread of the products of their labour getting into the hands of those who would use them in the mad pursuit of power. It is others. It is all of us, the lawmakers, who bear the responsibility for killing thousands of blameless bystanders to destroy the monsters we have created and armed.

And at what costs? What risks do we take when we decide not simply to remove Hussein from Kuwait but to obliterate his nuclear production facilities? Whose lives do we jeopardize when we bomb the plants that produce chemical weapons?

• (0140)

How do we destroy the capacity to produce deadly biological weapons without releasing untold agents of harm on unsuspecting people who want nothing more than to wake up tomorrow, to toil for a meagre living, to feed and clothe their children, and hope for a better world for the next generation? To what extent has it been in the interests of the superpowers for well over a decade to maintain the tensions in the Middle East, to ignore the plight of Palestinian people without a home, and to refuse to work for the kind of climate in that territory that would lead the nations of that region to be able to sit down and resolve their differences?

Saddam Hussein is a blip in the history of Baghdad. Countries, provinces, states and kingdoms come and go but cities endure. The centres of population for people endure. Baghdad goes back 10,000 years to the dawn of civilization, yet we in our arrogance have assumed the right in our brief stay on this earth to blast it to smithereens.

Does the 24-hour TV docudrama we have witnessed since Wednesday show us any of this reality? Have we seen one dead child? Have we seen one drop of blood? Do we know how many people have died? Have we been allowed to see the reality of this war? No.

What we have seen is sanitized science fiction, *Star Trek* with bright lights flashing off into the universe. The *Enterprise* goes off into the darkness, sparkling explosions fill the sky, with patterns of lights pretty as the stars, but obscuring the reality of thousands of living beings, breathing in a living city. People quiver in fear. The flight deck of the *Enterprise* is now the CNN newsroom where people risk their lives to satisfy our insatiable armchair curiosity to catch one more siren or the colours of one more blast out the window.

It has been said that Canada has lost its innocence. I know I have lost some of mine this week. In my newly honed cynicism I have listened to the Secretary of State for External Affairs admit that the cordon of sanctions is more like a sieve, with the resources of oppression continuing to pour through to Saddam Hussein. I ask myself: how far the potential for war in their hands since November has weakened the determination and the organization of the United States and its allies to tighten the cord of sanctions, to pull the strings so tight that Saddam Hussein would strangle to death?

I have listened to the excuse that the embargo wreaks hardships on the Iraqui and Kuwaiti people but not on the military. I ask myself: What greater hardship there could be than being dead tomorrow morning? I ask myself: How many wars do we need to end wars? We say it with every war we have.

I watched and listened to the verbiage about the United Nations and I ask myself: Why Canada's commitment to enforce the embargo and our commitment of forces was made to the U.S. weeks before the UN announced an embargo? Why did the Prime Minister's announcement of CF-18s going to the gulf follow within hours on the heels of the announcement by a senior American air force officer that they would destroy Baghdad with bombs? Why is it not the United Nations which has made the crucial determination that sanctions could not work and that the time had come for force?

I have listened in vain for months for one single independent Canadian position, for one single Canadian initiative to reach a peaceful solution. I have listened for Canada to call for the final decision to be made not in Washington but in New York by the United Nations, for this action against Hussein to be under the clear and unequivocal direction of the Security Council of the United Nations. I have listened for the voice of Canada to be the voice of strength, restraint and peaceful resolution. I have not once heard anything but the echo of President Bush.

We have lost more than our innocence. We have lost our stature and the respect the world has had for us as peacemakers and peacekeepers. The world has lost an independent honest broker for sanity and a better way for the future.

This week has been a betrayal of the new hope for the next century which we all felt at the beginning of the last year. It has been a betrayal of the gains made for democracy and freedom by those brave individuals who stood up to oppression by the tens of thousands in eastern Europe, many of them at the risk of and at the loss of their lives. It has been a betrayal of the hope we all had that the billions of dollars that had been going into the weapons of destruction could now be diverted to saving children, saving our environment, building a better world. Yet here we are again, with one nation

spending half a billion dollars a day killing, maiming, destroying, not building.

I make no apology tonight for choosing passion over dispassionate analysis. It is a time for passion. It is a time for reason when the lives of thousands are at stake. The possibility of a world without conflict and oppression deserves our passion.

I make no apology for saying the voices of women are needed in our legislatures. I make no apology for saying it is time to put away the centuries of thinking that reason only defines us as human beings when we know that reason and passion make us human. I make no apology for reporting to this House that when the Gallup poll recorded that 59 per cent of Canadians were against war, by a ratio of nearly two to one, 59 per cent were women rather than men.

I make no apology for personalizing the horrendous situation that faces Canada and the world, for saying that what I want for my own children I owe to every child of the world, the right to grow up safe, healthy, secure and free, to develop their talents and contribute to a better world in the third millennium. We have done irreparable damage to that right this week.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, I would very much like to congratulate the previous speaker on a magnificent speech. In my observations of the debate in this House, some of the finest speeches that have been made in favour of peace, and the endurance of human values, have been made by women. It certainly speaks very strongly for more women legislators in this place.

I have just a couple of comments. It is apparent to me that this House cannot resolve the desire of the majority of Canadians to find a peaceful route for Canadian involvement in this issue. I am just wondering whether it is not time for the women in this House to join together and to set a different course. Although it is only one drop of water, it tends to gather speed and greater mass as time goes by. There is an extremely strong desire in this country for peace. The majority of people do not want us there killing Iraqis. They see a much more positive and constructive role.

The first question I would put to the hon. member is this. Does she see that the government is fixed and all of its members cannot leave the direction the Prime Minister has established? Maybe it is time for the women in the opposition to gather together and with a unified voice put together the individual voices that they have so strongly put before this House and see if they cannot gather more and more people in the cause of peace. Perhaps they could focus on the rest of the legislators here, lead them, gather other citizens behind them and try to overpower what has happened to us on this side of the House.

The second thing is your mention of the creation of madmen. I have been here for more than a decade now and I have heard this side of the House speak constantly against the creation and the use of the madmen in the world by the nation to the south of us. Eighty thousand people have been murdered in El Salvador and they have been murdered by U.S. dollars and U.S. advisers. Nobody ever talks of invading that country. They talk about continuing it. It certainly depends who is killed.

• (0150)

Maybe when this is over and all the preaching about atrocities from the other side of the House is finished, we can reflect this back to them and say: Now what do we do about those? Obviously the United States will never let us see a military overthrow of that.

The third thing the hon. member mentioned that was so effective is: Once this is over, what do we do about the dirty hands of all the nations in this business? I have been here for more than a decade and I have heard this side of the House rail against the West Germans selling chemical plants to manufacture nerve case, about the French selling reactors from which fissionable material is extracted to build nuclear weapons. It is time that we reflected this back to the government and say that many nations, including our own, have, very dirty hands in selling arms and selling the wherewithal to kill people.

I thought that was a tremendous speech. I certainly think that those three items show the capacity of the opposition to come together. We have been motivated in our desire to see Canada move in a peaceful direction. Maybe the women on this side of the House can begin the process of pulling us together and pulling the rest of the people together to achieve what she has articulated. She mentioned dirty hands. Our hands are as dirty as those of other nations in building this monster and

others. Let us get rid of the El Salvadors and the insanity that has gone there.

Mrs. Catterall: The members questions and comments would require another 20 minutes to answer, but I will not impose on the House. I think he cannot beg off that easily. He cannot leave it to the handful of us in this House who happen to have the power to create life and therefore perhaps value it more highly. It is time for the men in this House to start saying that the fate of the world matters to them and the fate of the world's children and the fate of every single human being on this earth matters to them, more than money and more than power and more than property.

That is what we need, for you to start listening to us. We are doing our bit to change the values on which we make decisions, but frankly I do not have a lot hope for my country when I see it under this government slipping more and more into a value system based on might and power. Those who have will have more. Those who haven't will have less. Those who are strong will survive and thrive at the expense of those who are weak, and the weakest of all are our children.

I do not have a lot of hope when I see resources being taken from those who most need to be heard in our democratic society. I do not have a lot of hope when there is not enough money to clean up our rivers and lakes, but there is enough money overnight to destroy. I do think that Canada has lost immeasurably in this situation and in the last few years in our ability to be seen to be forging a different way for the world, to be turning our technological and communications expertise into productive and positive environmental technologies, which by the way are just as economically profitable as destructive technologies. I do see us as having lost a great deal of ability to contribute positively and independently in this world and I regret it.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, thank you for doing me the kindness of allowing me to briefly to echo the words of the hon. member from Vancouver. My only regret is that it is so late. It is now two o'clock Saturday morning, and we have been debating since ten o'clock Friday morning. Personally, never in my life will I regret not leaving this House earlier, because the speeches are getting better by the hour. What an incredible collection of well thought out, informative and non partisan pieces of work. I did not know what the hon. member was going to say at this time, nor how she would vote. This is what true debate is all about.

[*English*]

It is a true House of Commons debate. It is not to be told, bang, one side will vote this way because all of the other side will vote the other way so argument is totally irrelevant. I regret there are not more people here. I am not talking about the people in this House because, by tradition, I cannot mention how many people there are, but it is regrettable. The importance of the speech and the argument put forward by the hon. member for Ottawa West is something to reflect upon. I would hope the debate will not end. Members may say, "how come the debate is not finished" and "who spoke", and then they will read the comments. In any case, I will make sure in my own speech that her comments will not be forgotten.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, this is my first speech since my return to the House of Commons from the recent by-election in York North. I never believed, however, that upon my return to the House of Commons I would be debating, in my first speech, war, indeed Canada at war.

Throughout that period I always held a deep belief and faith that governments throughout the world, including Canada, would be able to reach a peaceful settlement to the serious gulf crisis, a crisis that has shocked, saddened and profoundly affected Canadians. I continued to believe that we, as a democratic nation, could, through principled diplomacy and through the pursuit of every possible avenue, arrive at a resolution to this international crisis.

This morning it is obvious that my dreams as a young Canadian for a peaceful resolution to the crisis have been shattered. War measures have taken precedence over a peaceful resolution. Canada is at war in the Persian Gulf. This is a serious time and a serious issue with serious repercussions and unimaginable implications for international peace, order and security.

Like all Canadians, I condemned the Iraqi invasion of Kuwait and its illegal annexation. I believed it was wrong, unjustified and completely contradicted the emerging

new spirit of co-operation among the nations of the world.

I believe that the imposition of mandatory economic sanctions against Iraq, if given more time, might have been the peaceful resolution to the crisis. As a parliamentarian, I would have liked to have participated, to have been given the opportunity to participate and hear the highest forum of the land on this very important issue, and to have participated in the debate long before the present reality of war. I think that our contribution in that case might have been more meaningful.

This morning, as I speak, however, I realize that the hypothetical questions of the past do not address the reality of the present. The post-mortem of the war may answer some of these questions.

• (0200)

What is important tonight is to come to grips with our role in the gulf as young Canadian men and women offer their lives for democratic principles that have been the cornerstone of Canada's involvement in international affairs. We must offer our unequivocal support to them, as they, through their efforts, must achieve the goal shared by every one of us in this House, and indeed everyone across this nation to bring peace and order to the Middle East and to the world.

I can perhaps spend hours describing the failures of this government in dealing with this crisis, but I think that perhaps we can underline the most basic evidence of their failure and that is the fact that we are at war.

War is failure. The political leadership of this nation, like many others, has failed to arrive at a peaceful resolution. From this morning on we will be judged on how we move toward the attainment of peace. I might suggest that this morning in the House of Commons we meet at a crossroads, not a point of arrival but a point of departure. Where do we go from here?

I would like to take this opportunity to call upon this government, all members of Parliament and all governments throughout the world to move quickly in seeking the ultimate goal of peace. We must actively pursue peace talks. Peace talks must replace bullets and bombs. We cannot afford to lose human lives because of our inability as political leaders to find a solution. We are elected to seek solutions and we must find them.

The Acting Speaker (Mr. DeBlois): The hon. member spoke for only five minutes; I understand that he will split his time with another colleague.

Mr. Bevilacqua: Yes, that is correct, the member for Hamilton Mountain.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, all my life I have admired people who, at all political levels, have served their fellow Canadians. I have always had a very special attachment to the House of Commons and the democratic process.

Two years ago I was privileged to be elected to this House by the citizens of Hamilton Mountain. I have dedicated all my time and energies since then to serving them and I have enjoyed every minute of it. Every time I have addressed this House, I have felt proud. I never expected that circumstances would be such that I could not say it is a pleasure to participate in this debate, but this is not the case today.

Indeed, it is not with pleasure but with a broken heart that I rise to talk not about peace, but about war. Up to the very last moment I had hoped that our call for peace and patience would be heard, but this government chose not to listen.

I have always felt that the responsibility of a political leader is to solve problems, to negotiate solutions, to work out compromises. We have to recognize today that we have failed in these responsibilities.

Canada has had an extensive and honourable history of working toward peace on the international stage. The role that this government has orchestrated for Canada in the events taking shape in the Middle East over the last months deeply compromises this tradition. Rather than providing a much needed voice of reason and support for negotiations, this government has abdicated the Canadian tradition of peacemaking to follow the path of violence.

To what end? Will the world be a better place? Is this region of the world going to be more democratic, more peaceful?

There are no winners in war, only losers. War is not a solution to human conflict, but a stark example of human failure. I strongly feel that the Canadian government

should have given sanctions more time to work. As a Canadian, I deeply regret that we have abandoned the peaceful and proud legacy of Lester B. Pearson.

The scale of human suffering that will result from this confrontation is horrible to contemplate. We have not seen any of it yet, but soon the horrors of war will be on our television for everyone to see. Analysts in the United States were speculating today that there might already be thousands of deaths after only 50 hours of war. Let us hope that they are wrong.

As I anxiously watch the events unfolding in the Persian Gulf, the faces of Canadian servicemen and women keep flashing through my mind. We hear politicians and military advisers discussing the grand strategies involved in Operation Desert Storm, as they call it. We must remember that the bottom line in war is always human suffering.

Political choices have been made. They are not mine. However, I strongly support the courageous efforts of our servicemen and women and I pray for their safe return from the Persian Gulf. For those with loved ones in the gulf, my thoughts are with you, as we hope for a quick return to peace in the region.

I also hope for the safety of those residing in the gulf region who have found themselves caught in the middle of this conflict.

I want to repeat that it was with a sad heart that I saw diplomacy and negotiations give way to bullets and bombs. With the end of the cold war, I had hoped that we would find peaceful solutions to the world problems. I truly hope that this does not represent the new world order that so many international leaders have spoken of over the past few months.

While everyone feels a sense of attachment to their country, we are all ultimately citizens of the world. I take no pleasure in watching reports of the successful bombing missions inflicted on the people of Iraq. The devastation and human suffering caused by the gulf war will be enormous.

Canada must take a leadership role in searching for the restoration of peace and in looking for ways to deal with the horrendous consequences of war. A lasting peace must be achieved. I pray that in the days to come peace will be restored in the gulf region and that all Canadian servicemen and women will safely return to their families at home. Then, with a sense of both sadness and a renewed mission, we can begin again to search for a lasting peace and a new world order.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, naturally all Canadians are still in a state of shock at the reality that we are at war. I think most of us still find it unbelievable. A country that has for so long prided itself on being recognized globally as peacekeepers finds itself now involved in a horrible battleground in and around the Persian Gulf. Bombers are flying, people are dying, and the sad part of it, of course, is the message that we just received from the Canadian Physicians for the Prevention of Nuclear War and the United States Centre for Defence Information predicting that at least 200,000 people will die and another 500,000 people will be seriously injured. The sad point of all of this is that 80 per cent will be civilians and the largest group of civilians will be children.

• (0210)

Let me be perfectly clear at the outset of my remarks. We all recognize that the perpetuator of this process, Saddam Hussein, is indeed a brutal dictator, a barbaric aggressor, first into Kuwait and more recently into the state of Israel. Some people have referred to him as a psychotic personality, a madman, someone who has violated human rights as have few other countries, and has killed off his own people by the thousands in a form of a unmitigated savagery. We deplore the atrocities, of course, that have occurred time and time again in that country as a result of his decisions.

We also must recognize that while we are dealing with Saddam Hussein, there are millions of children and the parents and grandparents of those children who, like us, have no interest in involving themselves in this horrible war.

I speak tonight as a father of two sons, both of draft age. I must say it certainly focuses one's attention. We are discussing here whether or not we ought to be involved. To think that certain decisions may in fact result in their participation. I cannot for the life of me feel comfortable with that as a father of two young boys.

I want to say that when we look at this war the sad part is that we have to admit we have all failed. This is a symbol of defeat, a symbol of failure. It is a mistake. It is wrong. It is unjustified. I think we have simply admitted that we as a species have failed when we find ourselves involved in such a horrible situation, such a brutal and barbaric situation. To think that as we speak here in the House of Commons, hundreds and hundreds of flights

are occurring over Iraq and thousands and thousands of tonnes of bombs are being dropped, and thousands of people are being killed or maimed.

One can only wonder as one looks around the House and you notice that most of us are at an age that has never known war. Our parents and our grandparents have, but to most, war is something that we have only read about or seen on television screens or in movie theatres. We have to wonder if in fact, as historians have reminded us, it appears that every generation must repeat the errors of the previous one. Here we are involved in the unthinkable. I think we are still in shock by the reality that we are involved in a horrible war.

We all, as we speak today, recognize that the men and women in our forces are serving in the gulf region, we pray for them and we hope for a quick return to their homes, their families, and their friends, and of course a return in good health.

I have been almost shocked at the tremendous response by constituents from 1 out of 295 ridings in the country, the riding of Kamloops, with a host of phone calls, letters, telegrams, faxes, delegations, almost universally condemning our participation in this war. I have in my hands petitions from Cariboo University College, Kamloops Secondary School, Logan Lake Secondary School, Westsyde Secondary School, North Kamloops Secondary School, Clearwater Secondary School, Barriere Secondary School, Chase Secondary School, a large number of junior secondary schools and a number of elementary schools. Petitions as well have come from the communities of Chase, Penetan Lake, Paul Lake, Raleigh, Heffley Creek, Barriere, Clearwater, Deadman's Creek, Savona, Little Fort, North Thompson Indian Band, Logan Lake, Kamloops, Dallas, Barnhart vale, Brockelhurst, Westwold and a whole host of other communities, as well as a number of churches and many community organizations. They all say that Canada should not be involved in this conflict.

I believe very strongly that getting involved as our government has committed us was a serious error. To have the United States lead an attack on Iraq was in fact an error. Before any country involves itself in these kinds of hostilities, surely to goodness it would explore all other avenues before it initiated the kind of slaughter and horror that we are seeing now hour after hour.

I must say I felt badly as a Canadian to see our government responding so quickly to the American initiative in terms of involvement militarily in the area of the Persian Gulf. I feel our own foreign policy it is no different from that of the state of Montana. We are essentially now an extension of American foreign policy because immediately, when the United States said that it was becoming involved in an aggressive way in the Persian Gulf, our Prime Minister within seconds said: Aye, aye, sir, we are there with you.

There were no discussions with the people of Canada, no debates in Parliament. The oddity of it all is that today we are debating the issue of our involvement in the Persian Gulf when we have nearly 2,000 troops already in the Persian Gulf and when we have aircraft committed to the Persian Gulf and ships committed to the Persian Gulf. It is a little after the fact. The horse is out of the barn. I say that this has been a very sad moment for Canadians, seeing our foreign policy, particularly when it involves this type of aggression, essentially being led by President Bush of the United States. When we look at whether or not we had exhausted all peaceful possibilities to encourage the brutal Saddam Hussein to get out of Kuwait, we can only say that we did not.

We failed. Look at diplomatic efforts that could have been initiated sometime ago. Granted there was a flurry in the last few hours leading up to the January 15 deadline. We can well admit that much more could have been done. What we did do and we are proud of the fact was we committed to involve ourselves with a sanctions initiative in the Persian Gulf, an attempt to strangle the economy of Iraq sufficiently to require Saddam Hussein to remove his troops and back off from the occupation of Kuwait. But, did we give sanctions a chance to prove themselves? We did not.

Look at the evidence that we have in terms of the successes that were there. I have to simply quote a few people that I think we would all recognize. They are certainly respected, knowledgeable people who understand the role of sanctions. I can quote people like William Webster of the United States Central Intelligence Agency. He said before the United States Congress less than two months ago that 90 per cent of Iraq's imports and 97 per cent of its exports had been stopped.

James Schlesinger, former Secretary of Defence for the United States, said that we needed approximately one year for the trade sanctions to work. We allowed them, as we recall, only four or five months.

The Canadian Secretary of State for External Affairs, in a letter dated December 28 of last year stated that these were the most effective and comprehensive sanctions ever applied by an international community. Of course, sanctions is not a new technique to encourage countries to do certain things. There are 115 cases of sanctions that have been applied around the world. We know that it takes at least one to two years before they can be effective in terms of strangling the life out of an economy sufficiently to require the government of that country to make what we believe are the appropriate decisions.

• (0220)

Let us go on. General Schwarzkopf, Commander of the United States forces in the Persian Gulf, issued a statement in support of continued economic sanctions.

A study of over 100 cases of sanctions that have been applied around the world, indicated that these sanctions will bite, and bite deeply, and bite soon. This is most encouraging. I could go on and quote others. I will just quote two more because I think it is important Canadians recognize that the sanctions were working.

Admiral William Crowe, former Chairman of the United States Joint Chiefs of Staff, appearing before a Committee of the United States Congress said: "The embargo is biting heavily. In my judgment, given the standard of living Iraq is used to and the increasing sophistication of Iraqi society, it is dead wrong to say that Iraq is not being hurt. It is being damaged severely and also I believe that goes for the Iraqi military which depends on outside support".

General David Jones, former Chairman of the United States Joint Chiefs of Staff, said: "The risk is that the problems inherent in maintaining the offensive military option would create are too problematic." He points out that Saddam Hussein is losing $20 billion to $30 billion in hard currency every year. This, of course also suggests that he is not receiving military supplies. We recognize that the only goods coming into the country were being largely smuggled in. Of course smugglers depend on hard currency. At this rate, currency was simply drying up in terms of foreign exchange.

I have a long list of all sorts of people who have pointed out that the economy was being devastated by these sanctions. The statistics that the American Congress provided the world were to point out that the Gross National Product of Iraq in only four months had been crushed by 48 per cent. If that is not an effective sanction at work, to see the GNP drop by 48 per cent in just a few weeks, I do not know what other information would be required.

The short and the long of all this is that, yes, the sanctions were working. They were very effective and, had they been given time, we can only conclude that they would have driven Saddam Hussein from Kuwait. But we saw that the United States was not prepared to wait. I say the United States because I think we can all recognize that there almost seemed to be an enthusiasm that the American administration had made a decision, for whatever set of reasons—and we all heard them—not the least of which is the reliance of the American military industrial complex either to be preparing for war or in a war.

Someone succinctly pointed out the other day that the best way to get rid of inventory was to blow it up. We see that that is indeed one of the ways that the American economy is driven. It was decided for a whole set of reasons. If Kuwait was a country of palm trees, date palms and bananas, would American forces by the tens of thousands be involved in reinstating a sheikh, with his family, once again to lead a country, an undemocratic nation, a family that had abandoned a Parliament in that country? I doubt it.

Another aspect of this process has concerned many of us. Someone the other day mentioned that the first casualty of war is truth. We recognize that what we are receiving now day by day on our television screens and through newspapers is propaganda. The American led forces have admitted that the news is being laundered, that everything has to move through military censors. If in fact this was a just war, as some of our government members have indicated, surely then we would not be afraid to expose it. With the fact that the American administration does not allow reporters into the various

areas, we can only assume that they are hiding something, that they are covering up something, that they are embarrassed and so on.

Think of what else is happening as we watch television to get the propagandized results of the hour-by-hour goings on in the Middle East.

The other day someone suggested a return to play-by-play action. This is what you say about a Superbowl. This is how you describe a football game. Of course, their play-by-play action was the hundreds of sorties of bombers heading out either to carpet bomb the Iraqi forces dug in, in southern Iraq, or the surgical strikes in the city of Baghdad. Surgical strikes, it almost sounds good, a medical term.

Of course, what surgical strikes means is huge concentrations of bombs or cruise missiles into a single restricted area, resulting in countless deaths and maiming. Think of the wordsmiths, Mr. Speaker, who have crafted terms to sanitize our reaction, to make it more acceptable to accept the fact that our forces, our country, along with some others, are engaged in a military combat with Iraqi forces.

For example, they talk about liberating Kuwait. They mean attacking the armies of Saddam Hussein in that area. They talk about body counts. Well, body counts are dead people. These are people who have been killed. They talk about protecting our assets. Our assets are the young men and women who are there in our Armed Forces. These are not assets; these are young men and women. These are human beings that we are talking about. These are people. They talk about Baghdad looking like a Christmas tree. The Christmas tree was the massive bombing that was destroying huge parts of the city.

This is a language that has been crafted to sanitize, as my hon. colleague from Okanagan—Shuswap so adequately described it earlier today, to make us more acceptable of a horrible, bloody and brutal war.

I want to say simply that we are at war. Twenty-eight countries are involved in the United States' coalition, but only a few are there offensively. That is why we are arguing that Canada should not be there in an offensive mode. Other countries are there with coast guard ships, bringing various sorts and types of expertise to the theatre of war. We suggest too that Canada is there with a role to play and that our forces should be redeployed, providing military support for humanitarian initiatives to assist and protect the growing numbers of refugees in the Persian Gulf region, hundreds and thousands of people who are going to require support and protection as they flee Iraq. Escort humanitarian shipping in the area and provide assistance, if you like, to refugees, food ships, shelter, medical supplies. Another role is Canada's involvement with the field hospital and other forms of medical support. Those are the roles that Canada should be playing, not an offensive one. I join with countries like Argentina, Czechoslovakia, Denmark and Norway and others there, but not in a combat role.

In conclusion, I simply want to say that we find ourselves involved in a war that ought not to have occurred, that we believe need not have occurred. It has really set back the role of Canada as a peacekeeper, has probably jeopardized and hindered our future role as a meaningful peacekeeper certainly in that part of the world, if not other parts, and has set back the United Nations. We had hoped that with the collapse of the cold war the United Nations might be able to carry on in a new style, with new institutions and new approaches, where we could solve these international geopolitical problems in some more creative, modern, humanistic way than simply sending in troops to engage in combat.

Unfortunately, as a world, as a country, we fail. The fact that we are involved in such a horrible, brutal, bloody war is an indication of our inadequacies.

Let us now, rise to the challenge and not rest until we find ways and means of bringing peace to the Middle East.

• (0230)

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I would like to put a question to the hon. member and to other hon. members who have stood up and have spoken in the House.

We as members of Parliament cannot end this war. Our government has decided that we will not only participate in the war in a supportive measure, but it has now decided that we will become offensively involved and through our efforts, we will kill Iraqis.

The absolute majority of people who sit on this side of the House is opposed to it. We have fought it every step of the way. We do not believe that this is a significant,

meaningful or useful role for Canadians. I do not personally believe that we have failed.

Our government has failed us. Our Prime Minister has failed us and taken us into a war that we and the majority of Canadians want no part of.

I would put to the hon. member a question. Is it not significant that this Prime Minister and this government enjoy the support of only 12 per cent of Canadians, that 88 per cent of Canadians have absolutely no confidence in this government, that a week ago more than 55 per cent of Canadians and that is a growing percentage wanted absolutely no role in this war that would see the killing Arabs or Iraqis? They felt that Canada did not belong there.

It has indeed been the failure of the Prime Minister to recognize the wishes of the majority of Canadians and to win their confidence. It has been a failure of this government, member after member standing up saying we must support the United States in invading Iraq. The interesting thing that the Prime Minister and the Secretary of State for External Affairs both said is if the UN does not, although we would prefer to go in with the UN, we will go with the U.S. and go it alone. That is a colossal failure. The government does not enjoy the confidence of 88 per cent of the people of Canada. It does not enjoy the confidence of a single member on this side of the House.

We have failed to convince the government of anything. We have failed to convince the government to see reason, to exercise humanity and common sense. That indeed is a failing, but it was an impossible task.

Would the hon. member agree that we in fact have not failed? We have tried to put the case in an honest and forthright manner and it has turned a deaf ear. To 88 per cent of Canadians this government has turned a deaf ear. Maybe now is the time for members in the opposition to begin to organize a committee of legislators for peace and to end the war, and to join with other Canadians who want to do this. We can no longer count on our government and we certainly cannot count on the madman to the south of us, George Bush.

Will the hon. member agree that we really have not yet failed, that the only thing we have truly failed in is to convince the government it has already lost?

Mr. Riis: As usual, my colleague presents a thoughtful argument and raises some very pertinent questions that I suspect most Canadians are asking themselves.

Our government has committed us to this involvement, knowing that 88 per cent of the people of Canada do not support our Prime Minister, knowing that a large majority of Canadians are opposed to our involvement in this war. I remember, as New Democrats were calling for the recall of Parliament before any commitments were made in terms of our participation, that we have a debate in Parliament, hoping that for once the Prime Minister would be sensitive to the views of the people he represents, that just for once he would listen to what Canadians were saying.

Of course, we know from all the polls and all the intelligence that we have received from our own country that overwhelming numbers of Canadians oppose our participation in this war. We even said that when it came to a vote, that it be a free vote to unleash Members of Parliament from the whip, from the lash of the Conservative Party, to represent their constituents on whether or not Canada should be going to war.

I cannot think of a more important decision that this House has taken in the last 50 years than to decide whether or not we should commit ourselves, our country, to a state of war. The Conservative Party did not allow its members to vote on behalf of their constituents. They simply were required to support the Prime Minister in his haste to join his friend, President Bush, in involving ourselves alongside America and American troops. It is a very sad moment for the country.

I want to conclude this statement by simply reading from *Hansard* of September 8, 1939, a comment made by Mr. Woodsworth, the founder of the CCF, the predecessor of the New Democratic Party. He said:

> While we are urged to fight for freedom and democracy, it should be remembered that war is the very negation of both. The victor may win, but if he does it is by adopting the selfsame tactics which he condemns in his enemy.

I think those words are as relevant today as they were back in September 1939.

Mr. Skelly (North Island—Powell River): I certainly acknowledge the very thoughtful response of the member for Kamloops. I would put another question that

follows up on this serious disservice that the media is currently doing to the people of North America.

I recall watching virtually all night last Christmas the American Broadcasting Corporation as described the assault on Panama by the madman to the south of us. We have to remember that the Americans created Noriega. It was not drug interdiction that bothered them as much as his newly adopted position on the Panama Canal. At the moment the Central American dictator began to threaten their ownership of the Panama Canal, it no longer became tolerable to keep him. All other human rights abuses, all other drug trafficking, all other abuses were forgiven until he began to demand control of the Panama Canal.

The American Broadcasting Corporation obviously acted as an agency of the U.S. army, glorifying the activity, glorifying the decision of the President of the United States and indeed distorting the information given to the American people and the way it was picked up by many agencies in Canada. My serious concern is that our media is being roped into that enormous distortion, that denial of information that people need to make rational judgments about this activity.

Part of that strategy is the cutting of the budget to a public broadcasting corporation, one that has a credible record of investigative journalism, absolute responsibility in providing information to the people of this country in a fair and balanced way. This war that George Bush has inflicted and dragged us into by a dog's leash in the Middle East is now being distorted in an even worse manner. I compliment the hon. member on bringing out this enormous disservice about critical broadcasting of American military briefings, and the plot to keep the population in ignorance.

When George Bush said, "we will not enter this war with one arm tied behind us", he was referring in one respect to the absolute denial of any information through a free media about what is going on, the devastation and the information that the population needs to make a reasonable judgment about this war.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, as a member of this House, I can honestly say that I deeply regret having to debate this motion, for it is a debate concerning war.

• (0240)

No reasonable individual in Canada or throughout the entire world wanted to see a war in the Persian Gulf or anywhere else, yet tragically since January 17 such a war has occurred and the fragile stability of the Middle East is once again on the line.

For Canada, this tragedy is closer to home this time. The men and women who are representing our country whether on land, at sea or in the air, are carrying out their duties in a very professional and exemplary manner. Our country and our people can be proud of them. We wish each and every one of them a safe and quick return to their loved ones. I know that every member of this House and all Canadians share this wish.

In my riding of Stormont—Dundas, I have received several petitions from constituents who are very concerned about the war in the Persian Gulf. One hundred young students from Newington Public School and 280 St. Lawrence High School students in Cornwall particularly impressed upon me that a generation which has never experienced war does not want to today.

Mr. Brian Ferguson of Cornwall also collected some 500 signatures in the past two days, signatures for peace. I believe these people mirror the views of a majority of Canadians. The people who sign these petitions want an end to the deployment of Canadian Armed Forces personnel in the Persian Gulf. They wish to remind the Government of Canada that Canada has a reputation as peacekeeper and ask that we do not jeopardize this great treasure which Canadians hold so dearly.

We know that Canada has a tradition of being there when needed to help keep the peace. Canadian peacekeeping forces have for some time now been carrying out peacekeeping duties in Cyprus and on the Golan Heights. I hope that should it come about in the days ahead that to achieve a cessation of hostilities, a United Nations peacekeeping force is required, Canada will again be prepared to step forward and offer to participate.

The recent missile attack upon the state of Israel has shocked the world. Many felt that Saddam Hussein's threat to launch such an attack on Israel was just that, a threat. Sadly, this was not the case. Nonetheless, we recognize the considerable restraint exercised by Israel not to retaliate.

The world is now wondering and fearing what will happen if Scud missiles with chemical warheads land in Israel. What will happen to the coalition forces against Iraq if Israel counters with a retaliatory strike either by plane or by Jericho missiles? The real potential exists for collapse of the coalition and an escalation to the conflict. The world can only speculate as to what will occur and the ramifications posed by such events. Certainly the Iraqi leadership would relish dividing the coalition by bringing Israel into the war.

Whatever events take place in this war, we can be sure of Canada's resolve to attain peace. Canadians will maintain their commitment to peace. As one of my constituents said in a letter to me and I quote: "peace is the only reasonable alternative to war and that while it is attainable peace can be a difficult goal to achieve."

I believe the United Nations was trying to do the utmost to prevent a war. As well, I think a strong case could be made that this war may well have been avoidable. If the sanctions imposed upon Iraq by the United Nations had been given more time, perhaps this war would never have occurred. Some have argued that Saddam would not have left Kuwait under any circumstances. Perhaps this is true, but war has started. As the leader of our party has said on several occasions, it is easy to start a war but it is very difficult to stop one.

It is the duty of Canadians and all the peoples of the world to work toward ending this war and avoiding any of the catastrophic consequences which this war has the capability of producing. This war, like some have suggested, is not about oil. It is not a result of the United States wanting to attack Iraq. I also believe that there is no wish by the Iraqi people to fight American, British, French, Saudi, Syrian, Egyptian, Canadian or any other nation which is a part of the United Nations coalition in the Persian Gulf.

The coalition is there to remove Iraq from Kuwait since that country was invaded by Iraq. The invasion was condemned by the world community and the decision was made to stand up to this aggression.

It is a mistake to assume that it was absolutely necessary to attack Iraq after the January 15 deadline. Unfortunately, the decision was made and the war was begun.

[*Translation*]

The Liberal Party's position has been clear throughout this debate. We urged the government to give diplomacy and sanctions time to work. The government did not listen. Although there is no need for war at this point in time, the Liberals are prepared to support our troops, these Canadian men and women who are fighting in the Persian Gulf. We are not going to let them down.

[*English*]

The Liberal Party supports Canada's military effort in the Persian Gulf. This position, however, does not preclude our party from continuing in its efforts to advocate a peaceful and expedient solution to the conflict. Efforts we would seek to end this conflict deserve the full support of Canada.

If the Iraqi leadership is not prepared to comply with the resolutions of the United Nations to end this war, then all the effort and support required to bring about a swift conclusion must be made.

Canadians do not want a prolonged conflict in which the possibility of escalation increases along with the price to be paid in terms of human lives.

One hopes that the Canadian government will do everything within its means to go on the offensive for peace, as much as it is prepared to go on the offensive for war. Canada's respected position in the world must be utilized at every opportunity to lobby for peace.

We have numerous contacts within the western and developing world and we are viewed throughout the Middle East with trust. At the United Nations, Canada has always acted independently and consistently in accordance with the principles and objectives of this international body.

I am sure that all Canadians expect our government to be pro-active in peace efforts. Canada must not ignore the responsibility that is placed upon all nations to take

up the cause for peace when war occurs. Every opportunity presented must be followed through in the hope that it brings about peace. The search to bring about peace will indeed be a difficult assignment, but the difficulty of the task in no measure outweighs the rewards of success.

Eventually, this war will come to an end. An assessment will be made on the role this country and others played in this tragic conflict. When it comes to Canada, I hope that we will all be comfortable that our government did take up the cause for peace. If this is not the case, the harm caused to Canada's previous commitment to peace and the security of the world will be among the casualties of this war.

In conclusion, as representatives of the people throughout this country, we have a duty and an obligation to work together outside the sphere partisanship to assist in the efforts to establish peace and bring our Armed Forces safely home. To our soldiers, airmen and sailors in the Persian Gulf go our prayers and our thoughts. They have our steadfast support and that of every Canadian. Let us all hope that before long we will see signs of peace in the Persian Gulf.

• (0250)

The Acting Speaker (Mr. DeBlois): The hon. member spoke for 10 minutes. I understand that his time is split with another colleague.

Mr. Kilger: No.

The Acting Speaker (Mr. DeBlois): Ten-minute question or comment period.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I want to thank my hon. colleague who stayed this late to express his views on this very sensitive issue. I wonder if he could elaborate on a point that was already discussed, namely the role Canada could now be assuming: Bearing in mind the possibility of an international conference on peace in the Middle East, what role would he see Canada playing now and in the future? In view of this war unfolding under our eyes, doesn't Canada have a role to play right now on both the military and diplomatic fronts? Canada's military involvement was decided by this government. Could the government not decide that we should also do what Canada is renowned for, namely playing a diplomatic role? Can he briefly express his views on this?

Mr. Kilger: Mr. Speaker, I thank the hon. member for Saint-Denis for his comments and his question. Certainly, I hope to see Canada take a proactive approach to peace, because it is our duty, as parliamentarians—and I encourage all Canadians to propose solutions to this problem facing us now.

On the subject of the international conference on the Middle-East situation, I certainly am for it. As Canadians who value peace and wish that everybody else in the world: could live in peace all as we do, the least we can do—and we try to as often as possible—would be to get together around a table and recognize respectfully that, while we do have differences, we also share some values such as peace. I would find an initiative along that line very comforting. After all, the idea has been around for years in the UN but, for some reason, it was always postponed. Now that the cold war is over, if the UN could get to play a greater role and take its place in the world, this initiative—finding a peace solution for the Middle East—would be among the first it should undertake.

[*English*]

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I have been deeply concerned about what has happened these past few days, what has happened the past few weeks and months, as we have seen develop within the world a conflict that is really troubling to many nations. It is a conflict that is not easily resolved and one that has caused a tremendous split in this House and a split in many countries, because decisions have to be made about what should or should not be done when we come into difficult situations.

I have very much had to struggle with what I think is probably the most difficult decision I have ever had to face. That decision affects the lives of many other fellows on this planet, other human beings who are foisted into a conflict which many of us believe should not be.

None of us support what Saddam Hussein has done and we were all horrified when we saw troops go into Kuwait. We saw the atrocities that occurred in that country. We realized what challenges were laid to the democratic world and what challenges were laid to Canada, the United States, Europe and all other countries. I thought to myself, with this conflict coming on in

the last few days, we, the Canadian people, have joined a war. What do you say to your constituents? What should we be saying to the Canadian people? What are they concerned about?

It is my opinion that the first message should be given is that we support the troops in this country. We support the families who are very concerned about their loved ones. We pray for a very quick end to this conflict. We hope above hope that all diplomatic means will be brought about by our country and by our government to resolve the crisis, not add to the conflict.

I think that this Liberal view is shared by many. We do not have to go very far to quote some of those who have spoken up in the last couple of days. Reverend Walter Farquharson, leader of the United Church, stated: "We reject the claim of our leaders that there was no alternative". Archbishop Michael Peers, leader of the Anglican Church of Canada, stated: "We reject the notion that war in the gulf is justified". Toronto's Roman Catholic Archbishop stated he was profoundly saddened and would celebrate a special mass for peace on Monday. The Canadian Council of Churches has strongly voiced opposition to this matter.

Why are these people, leaders of the churches in Canada, united on the issue that war could have been avoided? This conflict should not have been as it is.

One only has to think about what the alternative is when war begins. What devastation is caused? What does war cost? Certainly the price of war is very, very high morally, physically and economically. Tens of thousands of lives have a potential of being sacrificed when we hear such terms as carpet bombing.

When I was flying into Ottawa tonight, I flew over several major cities: Windsor, Detroit, London, Toronto, and Ottawa. As I was looking down and seeing the lights of the great metropolitan areas, I thought to myself. "If I were in a bomber flying over here in a B-52 and dropping ammunition and bombs like is going on in Iraq right now, whose life would be hurt?" Fortunately in Canada those bombs are not falling today, but we are authorizing those bombs to fall on other countries. We are authorizing our own troops to take action which will damage, maim and result in very extreme hardships in Iraq.

Certainly I do not support what Saddam Hussein has done, but I think the action we have taken against him should not have been supported either. Billions of dollars will be spent on our war initiatives. Environmental concerns respecting the use of chemical weapons must be addressed. There is great concern over the bombing in Israel which has just taken place. We all are very much concerned that it is not just going to end with a quick few nights' bombing. The potential of drawing Israel into this conflict and ending up with an Arab war against the western world is there.

• (0300)

We know that escalation could very well happen, and no one should put aside the possibilities of what may happen in the future once action has started. Chemical weapons, if used by Iraq, could cause unlimited damage to citizens living in the Middle East if, as the reports we hear from the gulf suggest, oil is spilled in the Persian Gulf from huge tankers or oil wells and set afire. The environmental damage that could result from that will not be cleaned up for centuries. It would be catastrophic globally. This is on top of the devastation that is now being created by conventional weapons.

There is no question why many world church leaders took a position against war. What other alternatives did we have? We had sanctions in place. We were taking positive measures to hurt Saddam Hussein, not physically with bombs but economically with sanctions, hurt him to the point where his economy had slowed down considerably, hurt him by less violent means, means by which the same end could have been achieved.

It seems to me when we talk about how we handle problems that a society must look at the end results, the long-range results not the short-range ones. There is absolutely no question the war that is going on now will create scars and concerns, one nation against another, not just for a few days or a few years; the scars will be for centuries. I have a concern about the divisions that we are creating by a war of this nature. I strongly believe we are creating divisions among races in this world by this type of action.

When I read an article by Carole Goar in *The Toronto Sun* I started to think about the kinds of information we have been given by the Prime Minister and the government. It makes one stop and consider whether we have been told clearly and honestly what the situation has been as it has developed over these past months.

On August 10, the Prime Minister had three ships refitted. The government absolutely had no mandate. They were refitted and sent to the gulf. When asked by reporters and members of Parliament what actions were being taken at that time, he said: "We have no mandate". Two weeks later, on August 25, the UN Security Council announced sanctions against Iraq. Certainly the Prime Minister knew when he talked to the press on August 10 that there were mandates for those ships. However, the Canadian public was not told that, nor was the Parliament of Canada. These ships arrived in Italy on September 11 and they were kept there three days. By September 14 we received another announcement that CF-18s were to be sent to the gulf and the ships were on active duty. It is interesting to note why that September 14 date came about, because it is the responsibility of the Prime Minister to bring back Parliament within 10 days when ships are being sent into an area of possible war or conflict.

In not sending the ships in on September 11 when they arrived, but holding them to September 14, obviously the Prime Minister was trying not to call back Parliament immediately and thereby let the people of Canada know. He waited until September 24 to bring Parliament back.

On November 16, our Minister of National Defence announced that we had not ruled out Canada's support for force outside the UN. He more or less suggested that if the UN did not condone physical support, Canada was considering it anyway. He clearly sent a message that Canada would act independently outside the United Nations and that was the avenue it was taking.

On December 28, the Prime Minister promised that Canadians would have plenty of warning if troops were sent on the offensive. On January 8, the Prime Minister said there is no need to recall Parliament. However, on January 15 Parliament was recalled. The bombs started to fall on January 16. The UN deadline date was up.

Did the Prime Minister fulfil his promise of recalling Parliament and telling Canadians well in advance of Canadian offensive actions? I do not think so. I really believe the Prime Minister went in another direction. He talked with James Baker. He talked with President Bush, and I think he had a clear indication of what hostilities would occur and at approximately what time. He called Parliament back to debate this issue after he had made the decision.

I find it very ironic to stand here today and debate a motion that we voted on on November 29. We are redebating it and we are going to revote on that motion after the action has been taken. I find that wrong. I find it wrong because, if the Prime Minister were going to take action, if he were going to commit the troops, and he knows the Liberal Party of Canada and the New Democratic Party of Canada both voted against the same motion, he should have explained it to the House. Yet, he put it on the floor after the bombs flew to have us vote on it again.

I think it was done for a specific reason. The Prime Minister, in putting forth the motion, may well have been trying to gain partisan ends. I find that wrong. The Prime Minister of Canada and the Parliament of Canada should not be aiming at partisan ends in this particular case. We should be looking at what is right and what is wrong. I do not feel that is the course we are on.

I honestly feel that in each major issue we have dealt with in the last couple of years, the guideline has been to divide and confuse the Canadian public. Free trade is a very dividing issue in this country. Meech Lake is a very dividing issue in the country. The Oka situation, same thing. The propositions he put forth to solve our economic problems, same thing again. With this situation, he has put forth an issue which he knew on November 29 was going to divide this House.

• (0310)

I think the Prime Minister and his cabinet should have put a motion forward which would have stated: We support our troops; we will work toward a democratic end; we will do everything we can to bring a quick end to the war. But no, he puts a motion to support the actions of the government which I think, and he well knows, is only a further division of the country. If any person in

this country has a reverse Midas touch, it is our Prime Minister. Everything falls apart when he touches it.

Some strong questions have come forward about the role of the United Nations and whether this Parliament supports the actions of the United Nations. I firmly believe this Parliament has supported the role of the United Nations. All three parties supported the sanctions and voted for them in this House. It came down to a question of whether or not we go to war.

I think everyone here must realize—and it is very evident to many international experts on that the mandate of the Security Council resolution 678 does not fully give power to the United Nations. It says that any independent country can attempt to bring Kuwait back to a status of freedom. In other words it authorized the United States to act independently. It authorized Canada to act independently. It authorized every other country to act independently.

From the questions we have had in this House, it has been clearly stated that Canada is not acting under the UN flag. Canada is acting as an independent nation under the flag of Canada. I believe that Canada is acting as an independent nation. It is not acting for or against, or in any other direction with regard to the United Nations. It is following an option that was left by a resolution in the United Nations.

I guess when I look at it more carefully, and I try to determine what the difference is, it really is clear that each nation involved in this conflict has made independent decisions and that the decision for conflict was not made by the United Nations.

The Secretary-General of the United Nations, when interviewed the night the war began, said he was not aware of the conflict beginning. When the Secretary-General of the United Nations is not aware, it is very clear it was not a United Nations action: It was an action of independent nations through a motion from the United Nations.

Canada still supports the United Nations, and all the parties here support the actions of the United Nations. We just do not agree that Canada should be in a conflict where many of us feel Canada's interest is not. I do not know what our international interest in the Middle East is besides peace and fair treatment to all who are there.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I would like to congratulate the hon. member on a very thoughtful and clearly articulated analysis of the situation. I want to support, as everyone else has, his comments about supporting our Canadian Armed Forces and their families, probably the Canadians most critically involved and under the highest anxiety in this entire country. The support that we can lend their families and to the degree that we can support them, I laud his remarks and identify with them fully.

I would ask how this suggestion sits with him, given his analysis. Anything that is said any longer in this House falls on deaf ears. The government and the Prime Minister have made up their mind on that course of action. I am torn. I heard the comments of the hon. member for Saint-Denis about the value of people on this side of the House thinking through their positions and thoughtfully articulating those honest positions.

We are rapidly coming to the end, I think, of the usefulness of that process. I for one have decided that I am going to get on the telephone tomorrow and spend my time phoning every clergy person, every labour leader, every business community leader, in fact as many people as I can, and asking them in the area in which we live in North Island—Powell River to start forming a committee to end the war. As legislators in this place, we can no longer convince the people who hold the levers of decision-making to end this war.

I am going to ask that committee if it would consider doing that. It was effective over a long period of time in the United States and I think it is important today. I am going to phone the Reform Party leader in that area, the Christian Heritage Party, the Liberal Party, the Conservative Party and ask them to join with us in a non-partisan way in representing the majority of Canadians and indeed the majority of people. The thinking people on this side of the House must begin the process of attempting to end the war.

The first step would be to have this government end the involvement of the Canadian Armed Forces in aggressive attacks on Iraq. The greatest support that we can give to our men and women in the Armed Forces is to pull them back before one of them is killed in this unjust war. That is the greatest thing we could do for their families.

The second thing I am going to ask that committee to consider is to have the Prime Minister of Canada end Canada's involvement in this war. The most constructive thing our Prime Minister could do is end the international political support to the United States for continuing the war.

We then must move forward and convince other smaller and middle sized nations to convince the United States that this war is wrong. We should work together with all other people in this world not only to end this war, but to make sure it does not start again, nor does another start again.

That is probably the most constructive thing that I can do tomorrow morning. I think every other member of this House should do the same. We can no longer convince the Conservative government of the justice of ending the war and ending the international political support for the United States. This is not a United Nations war; this is an American war.

In the United States, the thing that stopped the Vietnamese war was a general committee across the United States to end the war. We have an obligation to do that in Canada and make it work as quickly as possible. The greatest support we can give to our armed forces and to their families is to make sure that we get them out before one of them is killed.

Mr. Pickard: I would like to thank my colleague for his comments and his positive recommendations, because I think that when we look at situations we must come up with alternative means to reach goals where we cannot reach them traditionally.

It does appear that our abilities to reach the Prime Minister, the cabinet and those in power in this government have been stifled on almost every issue. It does not matter about the outcry of the people in the country. It does not seem to matter about many things.

I believe that some areas could be very important. The hon. member touched upon talking with people who are very concerned about stopping the war. I would hope that those people would take the time to write every one of the Conservative members of Parliament as well as other members of Parliament and to do some lobbying within their own area.

I am not one to say just carry a placard and forget about it, but I try to bring forward some logic, some concern, the feelings of the grassroots people in every constituency. Perhaps members will start listening to the people. I think that is really the only way we will defeat a blockade at this time.

I really feel we are in a blockade with the government at this point in time. We are unable to get our thoughts through. We are unable to convince the government of what the general population is saying. When 85 per cent of the people oppose many of the policies and still it goes on as though things were normal, when its popularity is so far down that it only represents a very minimum number of people in this country, I have to think that we should be very concerned about the direction we are going, very concerned about the next couple of years.

• (0320)

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I thank you for your patience.

[*English*]

I would like to ask my colleague if he would an elaborate on something that is very important to us in our party, and I am sure in the New Democratic Party. It is an idea that has been floating around for so many years. It has been betrayed for so long, betrayed, yes, betrayed by those who only pay lip service to probably one of the most important points. It was a hope *un espoir*: the international conference on peace in the Middle East. Would he kindly elaborate on this idea and the kind of role that Canada should have played, and could still play?

Mr. Pickard: Mr. Speaker, I would like to thank my colleague again for the question. In this particular situation it is very clear that over the years Canada has had a very clear role, a role of diplomacy, a role of trying to seek solutions, a role of peacekeeping and attempting to avoid conflict, not at any cost but to avoid conflict because of the hurt that it causes other nations when these situations give way to war.

Canada has been a nation extremely well respected because of our ability to negotiate, to be diplomatic, to rise above the issue and look at it from a perspective of how we can resolve the problem. I do not think for one minute that Canada's role should change. However, I do believe at this present time that is not the predominant role Canada is playing. We have formed a very strong coalition with the country to the south. We have followed along on every turn, not only in economics but also in war.

Rather than resolve and look for solutions and be very positive about how we deal with the Middle East, we have done just the opposite. We have joined with a country that has a very strong vested interest. That vested interest is the economics of the Middle East. The vested interest of the economics of the Middle East is an interest to the world. However, because of that we do not take out a baseball bat and try to win the problem by taking very crude actions, whether they be carpet bombing or whatever. We are supporting aggression rather than diplomacy. That is wrong.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, the government has cheapened everything it has touched since it came to power.

I was a bit hesitant about whether I should refer to free trade and what it has done to the nation. I was a bit hesitant about whether I should refer to the changes to the unemployment insurance provisions in this country and what it has done to the nation. But having heard some previous speakers refer to them, I have now done so as well. I would suggest that it is most appropriate to do so, if for no other reason than to give other examples of what the government has done. Handling the Middle East is no different when it comes to handling the situation in a way that cheapens the coin of the realm. The government sped Canadian forces off before Parliament was consulted. It sped Canadian forces off before the United Nations had made its determination as to what should be done but not before the United States had determined what it thought should be done. It has cheapened the House too and, along with it they have cheapened democracy. This is the first major issue before the House in the last two years where debate has not been terminated by closure.

I rather suspect that at this juncture in the debate the government is only too hopeful that it would in some way be able to do just that. Its actions in denigrating everything it touches has also denigrated politicians and, in the eyes of the public, fouled the reputation of those who have put themselves in the service of this country.

One would have thought a new low had been reached in putting forth the motion because the motion itself is something which is blatantly biased. It goes a long way toward putting almost the final nail in the coffin of the cheapening of this country.

The motion "that this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait" is obviously a well-crafted motion. The government would have known, as has already been referred to it as something which the Liberals and the New Democrats would oppose. That there would probably be a final vote on it would be forcing the opposition in Parliament to vote against the United Nations. We have heard references in the debate from the other side of the House that that is precisely what they are up to. They have made that accusation already.

But a new low was reached for this government when the Secretary of State for External Affairs joyfully held up the report of Amnesty International to verify the atrocities that had occurred in Iraq and then had the temerity to table the report. There are three crimes in the use of this information. The first is the use of an Amnesty International report. The taking of one quote in context to prove a point as he was doing is a scurrilous way to use information. Second, it cheapens the reputation of perhaps the most exemplary organization in the world because the reference was made to only one country. Third, it cheapens the whole debate because it refers to only one country while there are references in the reports of Amnesty International to other countries as well.

To hold up that one report as an example of how life is being threatened in one country and only one country, is to cheapen human life altogether. It quantifies the value of life and I will tell the House why. There are other entries in other reports, if not this one, of Amnesty International and I will cite one. "Sixteen executions, 2,300 under sentence of death. A supreme court decision allows offenders as young as 16 and the mentally retarded to be executed." That reference is not to some Third World country. That reference is not to some country which we usually consider to be undemocratic or backward. That reference is to the United States of America.

• (0330)

I refuse to be trapped into a numbers game on the value of human life. What Saddam Hussein did, and does, is indescribably vile. But a life in Des Moines or a life in San Francisco is as precious as that in Iraq. Barbarism is to be universally condemned. That was my hope when we entered what has often been referred to

in the House lately as the new order. My hope was that the kind of barbarism which is described as coming out of Iraq, or which I have just described as taking place in the United States as well, would have been something that would have brought the world to unite in eradicating, as well as it ought to be. Instead of that we have war.

I do not necessarily mean to just condemn the United States or Iraq because of those references. Almost every country in the world is mentioned in those Amnesty International reports and there is a rather an interesting exclusion from the 1989 Amnesty International report. What if things continue to go much further downhill in this country as I expect they might be? It is this country which I am referring to. Canada is not included in the last report of Amnesty International. That may possibly be a result of our history and some of the things that this country has stood for. It is something to be very proud of, but something also to be very highly guarded and regarded.

Turning to the new order, how hopeful we were a year ago when the Berlin Wall came down. We hoped and saw, as I have indicated, that some of the barbarism which had occurred behind the Iron Curtain and all over the world would somehow or other be put to a halt. We had hoped that the east, the west, the north, and the south would be able to unite as the human race and be able to eradicate this kind of thing.

Instead of that we get arguments from the other side of the House, and what are they saying? They are saying we are in a new order; this is a wonderful time. We had trouble before in this world in bringing nations to justice, the argument being because the cold war prevented the United Nations from carrying out its mandate. That statement is innocuous enough but not when translated into action. We would hope that some of the words the party on the other side of the House uses would be turned into action, but unfortunately they are not.

These words were turned into action and what did it translate into? It translates into them saying: "Now that we did not have to worry about taking action against someone who is an ally of someone on the other side of the Berlin Wall, we could all unite. No one has to worry about taking action against some other country and having someone on the other side of the Berlin Wall would take it out on them".

Instead of having a world in which we are able at least potentially to be able to conquer this barbarism, we now have a world where barbarism is let loose because we live in a new world order. That is the message I have been receiving from the other side of the House as an interpretation that we live in a new world order.

Can we imagine anyone saying that the cold war prevented the United Nations from carrying out its mandate? God help us if that really does get translated into the mandate of the United Nations being war, and that certainly is the first manifestation that we have seen as a result of the concerted action by the world community after the tearing down of the Berlin Wall.

A lot of interesting quotes seem to have come out of the debate over the last two or three days. I would have to go back in *Hansard* to see who said it, but someone said that a blind passion for peace led to World War II.

I know who said that and hon. members know who said that, don't they? The Prime Minister said that, at least he quoted someone who said that. I do not know who originally said it, but I do know that the Prime Minister quoted that. He said that a blind passion for peace led to World War II. Someone on the other side of the House then asked, in reference to a similar quote: "Would sanctions have worked against Mussolini, or would they have worked against Hitler?" How on earth is anyone to know whether they would have worked? They were not tried. There have been references on this side of the House to people involved on Mussolini's side of that conflict who said that if sanctions had been applied, "you are doggone right they would have worked, and worked quickly."

There was no intention of ever applying sanctions at the beginning of World War II. The industrial business complex of the world on both sides profited from what was happening in the build-up of arms on both sides of the conflict.

As a matter of fact, a late friend of mine worked in Bermuda during World War II as a censor. Every piece of mail that went back and forth between North America and Europe went through the hands of censors. He said to me, still maintaining his oath of secrecy: "Ron, you would be appalled if you knew what the business leaders

of this nation had really been up to during World War II".

I do not really know whether or not sanctions would have worked at the beginning of World War II. I do know that they certainly were not tried.

I would like to make a reference to World War II which I have not heard anyone refer to yet. Others here have said they are not really historians. I do not claim to be an historian, but it seems to me that in the last two world wars, it was the United States who followed Canada into war. To put it another way, certainly the United States got into these conflicts after Canada did. I wonder what has happened in the meantime to put the United States into such a state of haste.

God help us, had the United States followed Canada into this war. We like to pride ourselves as being a "kinder and gentler" nation, although I rather suspect that under the leadership of the present government the probability is that it was pretty much a mutual decision to go into this war. I would suggest that under the leadership of a philosophically different government this nation would have been one which would not have led and would not have followed the United States into war.

When we get into the matter of sanctions, I think the concept of the world order is something which is relevant. As a matter of fact, I may have been a bit unkind when I referred to the glee with which the government marched into the new world order by saying that the whole thrust of the United Nations had been thwarted by the cold war.

• (0340)

The imposition of sanctions was evidence, without a doubt, that that new order had some potential. Under the new order, with almost every nation on earth agreeing that Saddam Hussein was a barbarian and ought to be curtailed in his actions, the countries of Iraq and Kuwait—which he had occupied, admittedly, with no justification whatsoever—were surrounded.

I really have not been in all that many situations where I have been surrounded and wanted to get out, but I do speak the English language. I understand what "surrounded" means and the kind of concerted action that was arrayed against Saddam Hussein. I stand here with full acknowledgement that my party was fully behind the imposition of sanctions against that dictator and madman, Saddam Hussein. If somehow or other, with the whole idea of the new world order, come to a point peacefully where a madman surrounded, incapable of being able to carry on much longer, is immobilized, he then would most certainly not have been able to succeed for very much longer.

I see that my time is running short, but I would like to say that this whole idea of sanctions having been given a chance is absolute rot. I do not want to over-emphasize it, but if we can give the Government of South Africa 30 years of voluntary sanctions which eventually proved to work, we can certainly impose sanctions against Saddam Hussein which can last much longer than five months. That was an artificial deadline anyway.

There are many more things which could be said, but I would like to close with the thought that comes from a quote from Anthony Star, since we seem to be so fond of making quotations in the House.

Anthony Star says: "With the exception of certain rodents, no other vertebrate habitually destroys the members of its own species." War can only be viewed as the definitive expression of the disposition of the human race. I pray that before long the government comes to its senses and does everything it can to reverse what it has gotten into and what this world has got into.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I congratulate the hon. member on an excellent and insightful speech and solid recommendations to this House. I know he agrees with me that those recommendations, like all those proceeding from this side of the House, have fallen on deaf ears. In fact the Prime Minister of Canada and each and every Conservative member have made up their minds that Canada will become involved in this war, and that we will commit our Armed Forces, with the United States and a limited number of other nations, to attack Iraq.

Would the hon. member be interested tomorrow in beginning the process of joining together with other like-minded legislators and citizens into attempting a different route, possibly creating committees to stop the war? Such committees would be made up of any willing citizen in each of our local areas: people in the clergy, members of organized labour, the business community, local legions, veterans groups, and women's organizations—a broad coalition of people without partisan

consideration with a single objective to have this government stop Canadian involvement in the war.

Possibly, we could encourage the peace community in Ottawa to come into our offices, to act as volunteers, to use the telephone services, the mail services and any other services that a member's office could provide, and to help organize these committees in ridings that we possibly do not hold.

Personally I would like to see a committee to stop the war in the riding of every cabinet minister in the government, in the riding of the Prime Minister but ultimately attempt to establish across Canada in the strongest possible fashion to convince the government of the wrong-headed approach that it has taken. It has placed Canada in jeopardy in the world. It has placed the Armed Forces and the members of their families in jeopardy.

Such a committee could act to end Canada's involvement and its Armed Forces in the war. It could end the international political support for George Bush by the Prime Minister and his government. It could convince other smaller nations that have no interest in the kind of butchery that will proceed from the action from this day forth. It could work together with people to stop this war, to end Canada's involvement, and then move to working with like-minded individuals and groups in the United States to stop American involvement in this war.

Such committees could take up the issues that have been dealt with in the House. Canada's nation is a nation with dirty hands in selling arms, nuclear reactors, and the tools of war. It could take up the issue of stopping the assassins that have been put in place, in many cases by the United States, in El Salvador, Central America, Latin America, and southeast Asia.

It could work on a number of issues that we, on this side of the House, have complained about. But it is now almost time to end this debate. There is no point having a vote. It will never convince the government. It will never have an impact on it.

What will have an impact is if the 88 per cent of Canadians who oppose the Prime Minister, the government, and this war band together in an enormous national effort to get us out of the war, and then work to get the Americans out of the war. That is all we can do, I would think.

Would the member not agree, and would he be willing to participate in such an activity?

Mr. Fisher: Mr. Speaker, I thank my colleague for making that suggestion and, indeed, for asking that question. The answer is an unqualified yes.

There are other numbers we can give, but there is a telephone out here in the lobby behind me. The area code is 613-995-9557. It is 3.50 a.m. Eastern Standard Time. We sometimes think that people do not watch, but I think we would probably be surprised. We will try to get the other telephone numbers. This is only for our own Opposition Whips, but there is a general telephone number with a lot of telephone lines on it. We will get those.

There are six minutes of my time left. Maybe, before I am finished, we will be able to give out other numbers. The number, again, is 613-995-9557.

Mr. Walker: How about your home number?

Mr. Fisher: I come from Saskatoon. Of course, the number there is 306-382-3361. It is in the phone book, and everyone knows it.

The answer to the question is, yes, I would become involved in that.

There was an excellent advertisement in the *Star Phoenix* just last weekend. The fax numbers of the Prime Minister's and Secretary of State for External Affairs were supplied. I would certainly encourage people to do that.

I think we should emphasize that we are not saying that Canada should pull out of the situation altogether. No Canadians would disagree with Canada's involvement in the imposition of sanctions, which we had been involved with before. As the New Democratic Party, we have proposed that there be a pause in the hostilities.

• (0350)

We have been apprised by previous speakers that the news which we have been receiving has been distorted

and laundered by the military. So, I suppose that the reports that the Iraqi capability to retaliate and to function has been almost destroyed is probably wrong.

Nonetheless, there is no point in annihilating a nation. It is Saddam Hussein and his army which we are trying to bring to a halt. To continue beyond what is militarily necessary to accomplish that, to continue with an annihilation of the civilian population, and to continue with just an annihilation of even the geographical entity which is Kuwait and Iraq is insanity of the highest order.

There seems to be a tremendous amount of logic to having a pause in hostilities and saying to this madman: "It is time you laid off what you are doing. We, as humanity, are willing to give you an opportunity to be able to back off from what you are doing and to come to your senses." At the same time, the sanctions would be heavily imposed upon him.

I have another number here, Mr. Speaker. The area code again is 613-996-7441.

I am not sure if that answers the question entirely, but it is an excellent idea, something which has to be fostered and continued, and hopefully it will bring this nation to its senses and, perhaps, put Canada back into the leadership where it would be able to bring the world to its senses as well.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, before I begin my remarks, I would just like to extend my own personal thanks to you for seeing this debate. I know it has been a very long evening for you and, through you, Mr. Speaker, I would thank the employees of the House of Commons and the people at the table for their perseverance through this very long but very important debate.

As I prepared myself for this debate, I decided I would spend the day back in Winnipeg, inasmuch as it is an issue that concerns the people of my city very much. As I flew back, I was struck by how divided people were.

I went to the Westminster United Church and met with the peace groups and heard views about what this country was all about. If I would talk to my friends at the work-out class around the corner, they would give me other ideas. Yet, if I went to the legion, the first legion in the country, Legion No. 1 on Sargent Avenue, its members would have a different point of view, as do the members of the Sir General Sam Steele Legion in the north end.

This diversity of views, while at many times is a healthy reflection of a democratic society, is also a reflection of the very divided society that we have right now. When one enters a war theatre in wartime with such divisions, one has to reflect on why that is.

I was saying to myself when I prepared that it is a very odd debate to have. The motion was crafted, thought about, and presented to the House in a time of peace, on the edge of war, but still in a time of peace. Yet, we are winding up the debate today in the middle of a war. In some respects it is hard to believe that it has only been 60 hours since the first guns were fired and the first planes took off and headed into Iraq. It seems like a lifetime ago that we have a chance to save ourselves from war and now we are right in the middle of a very difficult struggle.

Many of us spend our time while we are not debating in the House watching this theatre on television. In some respects, this is the first war that we have been forced into the scene by watching the devastation caused by bomb after bomb. Heavens knows what will happen when the troop movement will begin. However, we are also very removed from it. We cannot reach out to the TV and turn it off. We cannot stop those bullets or bombings. Our democratic societies feel helpless because we do not want to see these actions wished upon anyone. Yet, it is beyond our control. At the very moment we are more involved in a real way through international television, we are made to feel not part of it, but removed and helpless by it.

We have to think of how one contributes thoughtfully to debate such as this one. We are all peace loving, but we have very different strategies for producing peace and making sure that we have a society that continues in peace.

Again, I was struck by the fact that one of the major emotions we have is the emotion of anger. How many times in the House have we had an opportunity to show consensus on the one hand, but on the other were presented with motions and opportunities that would only create division.

For example, there have been many individual remarks—and I would like to add my own to them—about how thankful we are for the troops and the members of the Armed Forced who are obeying the government and presenting themselves in very difficult situations by going out on the limb and putting their families in fear for their futures and all that goes with war. The House was never presented with a motion to thank these people. What would have been more simple for the government to call for the unanimity of the House to thank those who had volunteered for war? I am sure there would not have been one member from any of party, or from among the Independents, who would have said no to that motion. But were we given to show unanimity as to what this House feels? No. Instead, the government has sought ways to divide us.

When one begins to talk about a situation as difficult as the Middle East, one has to reflect on history. I was reviewing the speeches of my colleagues from the last few days and was amazed by the number of people who have turned to history and found examples to support their cases. What would have Prime Minister Pearson done? What would Prime Minister King have done? What would President Roosevelt have done? Among all three parties there has been support from these famous people for their position. In fact, the Prime Minister managed to find words of Stanley Knowles which buttressed his case. I am sure that the NDP were surprised to find Mr. Knowles on the side of our Prime Minister.

They have each had their own crises and contradictions to deal with. Mr. King had to deal with a depression, the Second World War, the lost generation and the failure of the League of Nations. Mr. St. Laurent had to deal with the recreation of North America and, more important Europe, and a cold war. They had to deal with the beginning of the developing nations and the first of the colonies breaking away from the European powers.

In the sixties, we had the beginning of Vietnam and the threat of nuclear war. In the seventies, we had the oil crisis and the second of the serious battles in the Middle East. In the eighties, we had the beginning of the end of the eastern European bloc. Each one of these decades has created circumstances that should cause us to turn back to these people not as heroes necessarily because they solved problems and they had very difficult times, but to cause ourselves to be reflective on the situation that we find ourselves in.

Often, one approaches the problem by thinking how it began, before beginning to solve it. For example, think of Canada and the trouble we are into.

• (0400)

When you enter a constitutional debate, your answer is largely determined by how you conceive the country: is it two founding nations, is it a country that is 130 years old, is it a country that is older than that and, if so, how much older, is it 10 provinces which have made a deal that they can all then recreate the deal, or is it a series of regions?

That might look like an academic and sort of obtuse question when I am discussing the Middle East, but think of the price that Canada has paid by not thinking through that problem. We now have a constitutional crisis because we did not take the aboriginal people seriously. We thought our history began somewhere between 100 to 200 years ago. The aboriginal leaders said no, that this country began 1,000 years ago; you had better begin to think of how to conceptualize that. We refused to acknowledge that at the bargaining table and what happened? We failed to reach an agreement. If we had thought four or five years ago that the real basis of this country included our original peoples, we would now be in a different situation. So we turn ourselves to the Middle East and say to ourselves: "Where do these battles begin?"

Canada has now entered a front for the first time as a member of a war force. No matter how we want to say it, we are working very closely with our allies, but this is the first time we have really intruded in that region, unless one wants to consider Cyprus, which is part of that region but not as directly concerned. What do we think of that crisis? Do we think it began last August with the invasion of Kuwait? Do we think it began with the oil embargo? Do we think it began with the division of Palestine after the Second World War? Do we think of the divisions after the Great War by the European powers? Is its origins in different religions that go back for centuries? It is ethnicity? What is the basis of that conflict?

When you enter into a crisis situation, you better have it pretty clear in your mind what you think the problem might be because you want to come out with a solution. Our party was very reluctant, as this House knows, to see us get involved in this conflict. We saw it as one of a series of problems. Although force has been exercised many times before in the Middle East, and never once has it produced the so-called end solution, the agreement that has solved all problems, the agreement among all agreements, that has never worked. For some reason

we have decided that this particular time it is going to work.

In posing this question and opposing what has been taking place, this party has been very careful not to position itself among those people who are simply anti-American or pacifist by definition. There are times when wars have to be fought. Many Canadians have in their families people who have fought in wars for good reasons and have paid the price. We in the Liberal Party respect that and have participated in that and supported that.

There is a very good article by a British journalist, Hugo Young, writing in the *Manchester Guardian*, last week. He argued that Saddam alone is to blame. What he did in this article is very interesting and is something which I think every politician has to do, and that is to read something which tears apart every one of your arguments so that you are sure of yourself. I thought in preparing for today that this person had read my speech before I began and had an argument against every one of my positions.

The Liberal Party has been very thoughtful behind the scenes in its deliberations and its research. It was able to conceive a position which was consistent with its historical commitment to the United Nations but, at the same time thought that certain steps should be taken before we entered the arena. Since we have done that step, it is very important that we take those mistakes made by this government and try to understand how we should be approaching the problem in the future.

I think one of the most important aspects of this debate this week which has to be put on the table by every parliamentarian who is honest with what he or she has seen in their constituencies is the anger of Canadians that we are in this position. It does not matter whether or not they agree that we should be at war or disagree, they are angry. The reason they are angry is that they became confused after Christmas as to exactly why January 15 was the date on which war had to be begun. Why had Canada found itself so closely allied to a position which Canadians themselves were not sold on?

We go back and we say that the government has failed to communicate with Canadians and that the price that is being paid is that we enter into the war without a consensus in this country that this war is going to be a benefit. The government failed to identify the interest of Canada in the Middle East. There are very real interests and ones that we should be fighting for. It failed to open up the debate to Parliament during the summer. It failed to have ongoing debate on this issue. It failed in Question Period to answer these debates openly. It failed to provide briefings to Canadians who were interested. It refused to go out and discuss the issues honestly with peace groups. It refused to consult widely. It ended up with this bull-headed attitude that they knew what was right, cabinet knew what was right, the senior civil servants knew what was right, and they were going to get Canada in there no matter what.

Now history is being recreated. Those of you who like to watch media spins and the media spin doctors, as they are called in the trade now, will recognize that since the decision was made, in fact beginning last Thursday before the decision was made to commence the offence against Iraq, all of a sudden we got news that this government had been out seeking peace constantly. For six months they said nothing but "we have to stick by that deadline, we have to push, push, push." Then all of a sudden we find out they are whispering: "No, no, no. We really, really were trying to do something much different. We were really trying to be on the side of peacemakers here. We just said those other things because that is what is expected of us".

How do you end up expecting people to believe that they have to be there on the war front when in fact the government says that it tried everything so that it would not have to be there on the war front. For the last six months government members were saying they had to be there in the war front by January 15. And you ask why Canadians are confused. It is because the situation presented to them was confusing and totally manipulative.

That has to be part of the public record because we cannot generation after generation disappoint people who think that the base of this country should be peaceful. As they enter into a situation which frustrates them and they feel manipulated, they get locked out, and that includes particularly younger people and university

students, church groups, people who are not normally high profile in the political community. They look around and say: "We do not understand why this is happening. Why do we have to be there?"

There is a good argument to be made, and one that I personally accept, that in a legitimate process involving the United Nations, and in more specific ways with the NATO countries that we are allied with, Canada has a duty, a responsibility, to participate in collective action that preserves our security and preserves world peace. That has been a principle that Canada has adhered to since the original meetings to form the UN in San Francisco. It is a tradition we are proud of. It is a tradition for which we have gone out on the limb in one crisis after another, that people before me have spoken about, many Prime Ministers have faced, and faced with an equal perspective. That is the direction we go in.

However, when you begin to cut corners, you fail to tell people that the UN motion really is not a UN flag type of motion. It really is anybody who wants to get involved can get involved. We are not really going to say it that way. We like you all to help out, but if you do not want to, you do not have to. If that is the way you want to go, that is fine. But be honest. Do not tell Canadians that it is a UN flag operation when they find out too late that we are all there under our own flags and there is a co-ordinator, we think, although we have not really been told this by the Minister of National Defence. We think there is a co-ordinator. We think he might be someone else who is not a Canadian, but we are not too sure of who it is, but we are told it cannot be the UN because co-ordination under the UN will not work. But you say to yourself: "Come on, guys, treat us with some honesty; tell us why we are there under this organization, why you think it is going to work, how we should contribute, and if you think things have to be stepped up to protect our troops and to protect our interests in the Middle East". Obviously things are going to have to be stepped up now—"do not tell us this week, as if you did not think about it last week or the week before, that you are making this decision just now".

• (0410)

Today I heard that we were going to have to move troops into the Middle East. Why are we moving troops into the Middle East? To protect our hospital. Look at the logic.

We are bringing in a hospital to look after the wounded and to protect the wounded. We are bringing in troops instead of honestly saying that we think we should have troops there as part of the allied force. If we want to have troops there as part of the allied force, stand up and say to Canadians that we now have to expand our base, we are going to move in troops. Then we can deal with the issue honestly. We can ask questions in Question Period, we can present motions. We can call the committee together and we can talk about it. But to do it backward, how can any parliamentarian argue against having troops there to protect a hospital? Nobody can. This is the deceit that must drive our Armed Forces crazy, because they have an honest role to play. Canadians respect the Armed Forces. They are committed to seeing Canada play an honourable role. They are proud of the tradition in this country of having an independent foreign policy, one which they feel is formulated in our Canadian Parliament and is developed by the cabinet. There is a set of democratic institutions here second to none in the world, but when ideas and strategies are presented in a convoluted way Canadians pull back.

The government now has the spectre of entering a war with more and more Canadians opposing it. How can you develop a country feeling pride in itself? We are a country with a government that has made it bankrupt. We are in the middle of a recession. We have a constitutional crisis. We have had a crisis of aboriginal people. Now we head into war, and they turn around and they do not know why the country is demoralized. If they went back to their constituencies they would know why people are demoralized. Because they have not seen one thing go right for them for such a long time, they forget what it is like to feel good about themselves. They are not going to feel good about themselves by being in a war they do not understand.

There are some real responsibilities here which I think have been abrogated by this government and I think we are going to pay the price. As we go through this stage, and although I do not share the optimism of some of the commentators that this will be a short war, I think that one thing we have done in the western world, whether we have been involved with the fronts in Asia or whether we have been involved with the fronts in the Middle East, or South America or Central America, we have constantly analysed incorrectly the strength of people who are fighting nationalist fights or fights which they feel strongly about. For religious or historical or fights

they have had with others in the region, these battles, have always continued much longer and with much more devastation than we can imagine.

As we commit ourselves to this long battle, we must remember that we not only want to win the battle but we want to win the war. To use a cliché, we want the war's victory to be peace and we want to see peace settled throughout the Middle East. We want to preserve the integrity of many nations there. I know I share with other members, and I am sure they share with me the fear that we have that Israel will be drawn into the battle that it has neither asked for, nor provoked. Every member sitting there watching the television and understanding just how volatile the area immediately around Israel is with long-standing grievances can only hope that it is not drawn into this unfairly.

The Acting Speaker (Mr. DeBlois): Order please. The hon. member's time has expired. He may only continue with unanimous consent. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Walker: Mr. Speaker. There is a responsibility among parliamentarians, however, to put on the table ideas to help a government to develop better foreign policy. May I suggest that, first, we take steps starting now to initiate public discussions for a more peaceful world by getting people to understand what is going on in the Middle East. Second, we should try to revitalize any added nations. Third, we should use those components of the NATO agreements to begin to work out political and social plans to involve Eastern Europe before that explodes on us. Fourth, we should develop a military policy which has as its basis the development of a peacemaking function in terms of acquisitions of equipment.

We are in this case right now where we can not respond with peacemaking because we have CF-18s and they do not have a peacemaking role. It does not matter where you are. Fifth, we should establish human rights as a part of our foreign policy. Sixth, we should develop regional plans for peace so that this does not happen again in places like Cambodia, the Philippines and Central America. Seventh, we should have a white paper for peace. Eighth, we should have a parliamentary committee talking to Canadians about these issues. Ninth, perhaps most important, we should publicly recognize that war is a failure. To enter war is a failure of everything we stand for as a country. We should turn this around, take this failure and make it into a positive benefit by recommitting our country to a peaceful future.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, there are a number of things the member touched on that I just want to make a point or two on and possibly follow up with a question.

I was pleased to hear the member touch on collective action and the responsibilities of Canada under the charter of the United Nations to act collectively with the rest of the world. I am pleased that he recognizes that, and I am pleased that he recognizes the need for collective security in the world. I do not believe that we are too far apart on that sense of responsibility on behalf of Canada. I think I have quoted the member accurately on that.

One of the things I do want some clarification on, if possible, is this. He mentioned that we do have interests in the Middle East. Noting that he understands what those interests are, I noted that the member said that those interests are worth fighting for.

We have been told in a sense by the government, but I was hoping that he could tell us this morning what those interests are in his own terms and sense of what they might be.

Mr. Walker: Mr. Speaker, I think Canadian interests in this case are tied into the development of a long term, peaceful plan for the Middle East. It is the one area of the world that, I guess since I was a student some 23 years ago, I have always worried about. It is the area that could blow up the world because of the combination of economic, historical and national and religious interests coming to converge in a very small area with an intensity that I think we in Canada do not appreciate.

The one principal organization we set up to work on that is the United Nations. One of the major tasks that the United Nations has to undertake is a more honest dealing with Middle East issues. There have been—some members in the House follow this very closely—several

resolutions in front of the United Nations which are left unresolved.

With our alliance stretching into Turkey through NATO, we have the commitment through its agreement to stabilize and protect that particular country.

There are other interests that I think are developing. There are economic interests. We have several private and public corporations very active in that region. There are trade interests at stake for us.

There is also a country in which symbolic importance much exceeds its physical size. There is the maintenance and the integrity of Israel and the resolution of the problems surrounding that state.

Those are the issues that I always think as being paramount to the interests of Canada, and I think it is through our international organizations and our commitment to the United Nations in particular that we can extend it. As a peacekeeping middle level power, we can show the world what some of those solutions might be.

• (0420)

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, once again we see the importance of this debate. I would like to thank the hon. member. It is 4.20 a.m., and even at this early hour, members who are willing to think and reflect intelligently can make any kind of suggestions.

At the end of his speech which lasted no more than five minutes, the hon. member for Winnipeg-North-Centre, Mr. Walker—I would rather call people by their name—made a series of suggestions.

[*English*]

Yes, they have suggestions but that is what debate is all about. I will never live long enough now because of that debate. This is probably the third most important debate in my life here in Parliament over 27 years. It is serious. I do not want deal too long with the first one. That was the War Measures Act for which I voted with the very little information that I had. I say it in English, and I will say it in French. With the little information that I was given, I voted for it.

Of course, there was the constitutional debate. That is probably the reason why I am a Canadian and I am here, a *Canadien français*. What is my place here, what is my role? If it has not been for the question of war, I would have loved so much, I would have had so much better feeling as a Canadian, I would be a prouder Canadian being here these last two days. I do not think I missed one minute of the debate. I do not understand it. I was here at ten o'clock this morning. The Speaker was here. It is now the day after, at four o'clock, and there has not been any filibuster. I have listened to all kinds of unbelievable ideas, fresh ideas.

I do not want to assassinate people intellectually but I heard the same tones, as they say *en français, sur le même ton*.

[*Translation*]

It is the same expression they support on the other side, while on this side we reflect the hesitations of Canadians.

[*English*]

I have heard friends, and I call them friends. They will stay my friends in the party that they proudly represent. They say: "Look, they are divided in the opposition". We are not divided. We are simply, emotionally, intellectually reflecting what is going on in the country, the hesitation of the people who are stuck between emotion, support for our Canadians. I will talk about that if I speak in this debate.

But I want to thank the hon. member. He was in Winnipeg all day. I could not believe it when I was told that he would fly back late tonight, Friday night, from Winnipeg. He asked permission to speak before me, if I do so, because he said "I want two hours of sleep" before returning to Winnipeg this morning.

This is personalizing a debate but I think Canadians should know that members of Parliament care. I do not mean to say by that that only this side now cares. I want Canadians to know we are human beings. We care. Those who are here care a hell of a lot. That does not mean that those who are not do not. But the debate is so important. It is Canada, *Mon Canada*. I will say that later, I hope.

[*Translation*]

That is why I am here, to listen to people like Mr. Walker.

[*English*]

I need to hear debate like that of Mr. Barrett this afternoon. Rarely do I have tears in my eyes, but when he said "I am a Jew, and here is what I think", it was difficult.

My colleague from Westmount has never been the kind of fine friend that I would think of when talking about the Middle East over the years. I could not believe his speech. I hope Canadians will read it. I will say that in French.

[*Translation*]

I hope Quebecers, men and women, will read Mr. Berger's speech. I do not want to flatter him, but such a speech must have been difficult to make.

[*English*]

It must have been very difficult for him to speak as he did. He is probably sleeping now, so he will have quite a shock tomorrow to hear what I said. But I mean it. I do, do mean it. That is what debate is all about on such an important issue, such an unbelievable issue.

We are not weak. We are not afraid on this side. We do not run away when we see a gun. Try to take me out of the House when there is a false alarm and you will see that I do not get weak too easily. I was in the provost corps, the Military Police, in Shilo, when I was very young.

We are not showing weakness by debating an issue of war and by defending peace groups. No, we are talking about human life. I thank the hon. member for coming back because,in a few minutes those who will read it will say: "Maybe half of it should be Canadian policy". I hope my colleague from the majority party will read all of the good proposals, keep some, reflect on others and reject out of hand those that are total dreams because later on I will talk to you about a dream that I had.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I must admit, along with some of the others in this debate, that I have had a little bit of difficulty in getting up to become involved in this debate. I feel a sense of frustration that in fact the decisions have already been made. Of course, the war has already been launched. What we are discussing here is almost after the fact. To some extent it makes parliamentarians look a bit foolish that everything that had to be decided in order to proceed with the war has been decided.

But I think in the last little while, as the member for Saint-Denis has said, that there has been some interesting information come out, information perhaps that will not help Parliament to make a decision that has already been made but information that, hopefully, will lead to some discussion about Canada's role in the future and perhaps some analysis of what went into the decisions leading up to Canada's involvement with the United States and with the United Nations in the current war.

One of the things that excites me a little bit is the fact that the member from Saskatoon, after his speech and in response to a question and comment from the member for North Island—Powell River, indicated that there was a number in the members' lobby which citizens who are watching this debate all across the country could call and actually tell members who are present in the House tonight precisely what their feelings are. That number is 613-996-7446.

There have been numerous calls coming into the opposition lobby from citizens who have been watching this debate and, for the first time in my experience of 18 years as an elected member in the British Columbia legislature and in the House of Commons in Ottawa, I have almost got the feeling that there is a possibility that this could be an interactive Parliament, that the people of Canada who are watching us debate can actually give us information that will be helpful in the debate. I think, even at four o'clock in the morning, which is only one o'clock in the morning British Columbia time, these people can actually, in watching the debate, help us with information, give us their feelings and have an exchange of feelings with those people across Canada who are so interested in what is happening in the Middle East and in this Parliament that they are actually switching from the news channels to watch the debate here in the House of Commons because now they have an opportunity to interact with members and to tell members what they feel.

I received a call, just a few minutes ago, from Parksville, British Columbia, in my riding, from somebody who has a son on the *Athabaskan* in the war zone and who is absolutely opposed to the war and would like to see the Canadians out of the war zone. I want to say, for that person who called all the way from Parksville, that I really appreciate that call. I must admit, in coming into this debate, I felt that the decision had already been

made and that I, as a member of the House of Commons, was absolutely powerless. In fact, it makes you feel a bit foolish when the decision has already been made and all you have to do is simply ventilate a little bit about the position that is taken by the government.

• (0430)

In fact, I suppose I was one of thousands or millions of Canadians who watched the debate take place in the Senate and the House of Representatives in the United States knowing that those people speaking on the floor of the U.S. Congress had the power to decide whether their nation was to go to war in support of the Bush administration or whether their nation would not go to war. That power gives members of the House of Representatives and senators in the United States a greater feeling that they are playing an important role on behalf of their constituents in expressing their conscience and beliefs than we have here. It could have been done here. It was not necessary that the government come into this House of Commons with its mind already made up and simply allow members to ventilate, without listening to or respecting, their positions. To some extent, the government attempted to make fools of the members of the opposition. I think it was the wrong tact taken by the government in this case.

I have read a little bit of history in my time. I know that during periods of war, often the government will contact the opposition parties and attempt to establish a union cabinet or a union approach because of the need to pull the country together and to establish national unity at the time of war. As part of that comprehensive approach to unity, it approaches trade unions for example, that will become involved in the war production effort. They contact municipalities, banks, businesses and financial institutions, the efforts of which it is going to need in order to mobilize the country to prosecute a war.

In this case, as is traditional with this government, it did not even bother to contact the opposition to develop the question that we were going to be debating in this House. I looked at the question that was presented to us by the government as a *fait accompli* and the question says this: "That this House re-affirms its support of the United Nations in ending the aggression by Iraq against Kuwait." Nobody in this House could have any difference of opinion with a question like that. We want to support the United Nations. We want to support the principles of the United Nations as set out in its charter. We are committed as a party and a country to do it. How can we possibly oppose a resolution like this? We are also committed to ending the aggression by Iraq against the country of Kuwait. How could anybody in this House possibly be opposed to that? That is not the reason that this question was placed on the floor of the House of Commons by the hon. Prime Minister.

The reason this was placed on the floor was for a political trap. Basically, this resolution will be interpreted by the government as opposition support for its efforts in the war against Iraq. I do not support the government's efforts in the war against Iraq. It was a wrong-headed decision made on the basis of wrong reasoning when other alternatives had not been exhausted. It is unfair for a Prime Minister to come into a House to present a resolution like this knowing that it is a resolution designed to entrap politically opposition members in this House into voting in a way they do not want to vote. It is manipulation and the kind of manipulation that we have seen far too often by this Prime Minister. It is the kind of manipulation that he himself boasted about when he was talking about delaying the First Ministers' Conference on the Meech Lake Accord until the last possible minute so that the First Ministers of this country would feel compelled by the passage of time to vote quickly to pass the Meech Lake Accord. I think the country rejected that kind of political manipulation. We certainly do not like to see, in an important situation like this, the opposition in this Parliament manipulated into voting for a resolution that is essentially a political trap.

Mr. Ray Skelly (North Island—Powell River): Hear! hear!

Mr. Robert E. Skelly (Comox—Alberni): Now, I support those members who have stood up, including the leader of our political party. For example, the member for Fraser Valley West I think made an excellent presentation in this House, a compassionate, committed presentation, committed to peaceful resolution of disputes, both in the Middle East and around the world. But the problem is, that when you are presented with a question, and all of the parties in the House of Commons have not had an opportunity through a consultation process to develop, it is almost impossible to allow members on that basis to have a free vote. If you vote yes for this resolution, then the government is going to say you

support the war. If you vote no for this resolution, the government is going to say: "you are in favour of the Iraqi invasion of Kuwait" or "you are opposed to supporting the men and women of our military forces overseas." And that is not true, but that is the option the government has in presenting this kind of a resolution to the House. I think it is demeaning to this Parliament, demeaning to the government, and unfortunately characteristic of this Prime Minister to present that kind of a resolution, as he did in the debate around the Meech Lake Accord.

I want to tell you, Mr. Speaker, exactly what position I intend to take on this question, a question that to me, does not make any sense at all. If it comes to a vote I am still not sure how I am going to vote on it because the government can interpret my vote in any way it chooses. That is why we have this kind of a resolution.

But I want to tell you that I am absolutely opposed to Canada's participation in this war against Iraq. I do not think it is necessary. I think it is pursuing a United States' foreign policy, and I do not think that Canada should be involved in it. I am absolutely opposed to the use of Canadian forces in an offensive way against the Government of Iraq. That is not to say that I do not want Iraq out of Kuwait or that I support Iraq's aggression in Kuwait. What I am saying is that there were alternatives that we should have used and that we should have exhausted before we resorted to war.

I think that those alternatives would have been successful had they been given the opportunity. But other people—and I am thinking of George Bush and the U.S. administration—were motivated otherwise, and I think that has dictated how Canada has become involved in the war in Kuwait.

I agree with my leader that I think Canada's forces should be in the Middle East, but they should be in the Middle East serving ends other than the violent ends being pursued by the United States. I think we should be using our forces to contain the war zone so that the war does not expand. I think we should be assisting in the blockade of war material and other support going to Iraq through the Middle East so that Iraq is ultimately denied the ability to maintain its troops in Kuwait and to maintain a war against the allies there. I also believe that our troops and Canadian personnel should be used for humanitarian purposes; to provide health, medical and refugee support to those civilians and others who are either injured or become casualties as a result of the war, or who become displaced from their homes as result of the destruction due to this war.

• (0440)

Canada has a tremendous and respected role to play in providing those kinds of humanitarian and support services to those who are injured, become casualties or refugees as a result of this war.

I think that represents the kind of traditional role Canada has played recently in wars around the world. I think that has generated for us a great deal of respect.

I had the opportunity to visit the United Nations as a parliamentary observer just a few months ago. This was an opportunity that I never thought of, growing up as a young child in New Westminster, British Columbia in a very poor family. I never believed that I would be sitting on the floor of the United Nations with delegations from all around the world discussing issues of world importance.

I was almost overwhelmed by the opportunity that was given to me as a member of this Parliament. I have a great deal of personal respect and lend a great deal of support to the United Nations.

For the government to come into the House and tell me as a member of the opposition that if I do not support its resolution, then for some reason I am opposed to the United Nations. I absolutely resent that kind of entrapment and gamesmanship with this resolution. It is absolutely false. I can speak not only for myself by that statement, but also for. . . whole of our caucus.

This caucus has supported the United Nations throughout the history of this political party and throughout the history of the United Nations.

That has not always been the case with some of our allies in the current war effort. For example, I want to talk about an incident that happened recently before the World Court. The Speaker will be aware of what is called the Contra scandal which brought to light the fact that the United States was providing, both legally under American law at times and under its own law at times, weapons, money, material and humanitarian aid to a group called the Contras that would not really exist

without the support of the United States government or its surrogates.

The World Court, back in 1986, heard a case advanced by Nicaragua that the United States was violating international law by supporting the Contras by printing booklets calling for psychological warfare and terrorism against Nicaraguan communities by providing the Contras with weapons with which to kill Nicaraguan civilians, and in fact in instruction manuals on psychological warfare and terrorism actually advocating the murder of non-combatant Nicaraguan citizens. The United States was violating the charter of the United Nations and was engaged in an act of aggression against Nicaragua.

The World Court ruled that by mining the harbours of the Atlantic coast of Nicaragua the United States again was not only violating the treaties it had with Nicaragua but was also in violation of the Geneva articles of war and the charter of the United Nations.

The United States has not been known in recent years, as recent as 1986, to be a supporter of the United Nations. Here, the government is telling us that we should side with the United Nations, and the United States in telling us how we should be giving great respect for the United Nations. I want to know where the Government of Canada was when those violations were taking place, when the United States was hauled before the World Court and found guilty of violating the United Nations charter and international law and participating in an act of aggression.

It is a country of 220 million that was engaged in an act of aggression against a country of 3.5 million people. Why was Canada not standing up on its hind feet? Why was it not seeking allies in the United Nations to prevent this kind of active aggression going on in Nicaragua, which had been identified and condemned by the World Court, an international body which Canada claims to support. Where was our support for the United Nations then?

One of the reasons why I feel almost ashamed as a legislator to be here at 4.45 in the morning talking about a resolution that is virtually redundant is that Canada has already gone to war along with the United States. We really do not have any power on behalf of our citizens.

I have had letters from my citizens all over my constituency saying that they absolutely oppose this war. I represent my citizens and yet can do absolutely nothing because the government has come into this House with its mind made up and members of this Parliament can do absolutely nothing to change its mind.

As I speak, there are two members of the government in the House, cabinet is asleep, and nobody is really listening to Canadians. That makes people like me frustrated.

But there is an opportunity for people to get in touch with this Parliament at this very hour. I would suggest that they call 613-996-7446 and they will reach the opposition lobby.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I would like to congratulate the member on a very effective speech, one that I know will be read and considered. I do not say that lightly or with humour. It raised some factual evidence about the performance of the United States in this world that certainly does no credit to its record and no credit to its support.

One of the things that the previous speaker mentioned was an alternate role for the Canadian Armed Forces. When the Americans finish bombing Iraq back to the stone age, and that the country lays in ruins, its government, administration, and infrastructure destroyed, there will be an enormous number of casualties, absolutely enormous.

But the day the bombing stops, the deaths will accelerate. They will accelerate from gastro-intestinal diseases. People will die from injuries suffered during the war. They will suffer from starvation, famine, disease and exposure. Their water systems will be gone. Their sewer systems will be gone. There will be toxic chemicals and hazardous wastes everywhere. Transportation systems will be destroyed. Throughout their cities there will be dangerous buildings damaged by war. What we need to do is to think seriously about the use of the Canadian Armed Forces who have tremendous expertise, medical corps who can offer treatment to civilian and military casualties. They can treat famine and disease through some of the public health techniques that they have. They can deliver community health care. Women are still going to be pregnant and have babies, people are

still going to be suffering from diseases and will need the distribution of antibiotics, medicines and surgery.

We could put a corps of engineers in there to destroy the dangerous and damaged buildings. We could restore transportation systems so that the sick, the injured and the destitute can be brought to medical treatment and to places for shelter and food. We could restore electricity, so that pumps could be run to remove sewage and provide water. We could look into damaged sewer systems, water systems, communications so that the population can gradually be reorganized to protect and provide for itself.

Transportation units out of Trenton, Comox or Cold Lake could provide stores that we already have in place of medicines, food, fuel, shelter and clothing. Many of the people will die of exposure. We think of it as always a hot country, but it is not so.

Our Canadian Armed Forces have stores available and the opportunity to prevent starvation, to prevent death from the simplest diseases of infants and young children, to provide just basic antibiotics that will save more lives than probably anything else. They are ready and competent to deliver those stores, but unfortunately this government has not for one moment considered that.

What lies ahead when this wreckage is finished is the possibility of even more deaths from simple matters of disease and lack of attention, food, clothing, shelter and medicine. Our Armed Forces are far better equipped to deliver that than to make war. Yet in the briefing the other day the two individuals who came forward to give our caucus information said our Armed Forces are not giving consideration to that.

• (0450)

If we are not in there the day the bombs stop dropping, people will begin to die at an accelerating rate. It is going to take money, resources and planning to get in place. I would ask why the Prime Minister, why the Minister of National Health and Welfare and why the Minister of National Defence are not giving this House information about what responsibility we intend to take the day the bombing stops and when the money and resources are going to be put aside.

Mr. Skelly (Comox—Alberni): Mr. Speaker, I would like to thank my colleague for posing those alternatives. It is something that this caucus is concerned about and that the opposition is concerned about. Even as World War II drew to a close, and other previous wars drew to a close, the allies, before and during the war, had some ideas meetings to determine exactly what was going to happen when peace was ultimately restored; who was going to have responsibility for rebuilding the destruction that had been done who was going to have the responsibility for the medical reparations that were going to be required because of the injuries and the losses in particular populations what kind of economic reconstruction was going to take place, who was going to deal with restoring the populations to the economic health that it had before.

I think those discussions have not commenced by the participants in this war and they should certainly commence. I congratulate the member for some of the suggestions he has made so far.

Along the same lines, we should be looking at the future role of Canada's Armed Forces and Canada's military power because I think many Canadians, having seen what has happened in the Middle East, never want to see Canada's military play this kind of role again.

There has been a number of peaceful roles suggested, the role that we traditionally follow in the United Nations as peacekeepers to separate combatants and to restore a peaceful existence between conflicting nations.

I think the Canadian Armed Forces could be used for other purposes. They are already used to some extent off the west coast to watch for oil spills and that kind of thing, and to become involved in the protection of the environment which will be a major concern for the next 10 years. I think our Armed Forces could be allocated, for example, to help Africa with its elephant poaching problem. That species is under the threat of extinction because those who are going after that species are better armed than the wardens in the national parks in Africa.

Why are our Armed Forces not offered to that country to beef up the park warden system so that they can protect a declining species? If action is not taken quickly, that species will be wiped out. Why are they not offered to protect the kind of damage that is being done in the rain forests in southeast Asia and in central South America? I think our Armed Forces could be used internally in some countries as police to assist in the maintaining of the natural environment. If we do not protect those elements of the natural environment, then all life on earth could be threatened.

If the Speaker will give me one final moment, I can recall reading a statement by Physicians for Social Responsibility that said there is something like 10 million cases of malaria in the world today, 1 million new cases are developed each year and 1 million people die of malaria each year. We could cure malaria. The cure is now available if we allocated what we spend on arms around the world in the space of two weeks. I think that the Government of Canada should make a commitment to stop spending on military purposes for two weeks and contribute that to an international pool because more people now are now dying of malaria than are dying in wars. They are the true victims of the next war. If we set aside that money and dedicated it to a cure for such diseases as malaria, I think we could save more lives than any other thing we could possibly do. I think Canada should commit itself to that kind of action world-wide which I think will be valuable to people of this generation and to future generations.

Mr. Ray Skelly (North Island—Powell River): It is a pleasure on behalf of the New Democratic Party Caucus to rise in this House to contribute to the debate. I would like to remind citizens of this country who are concerned about what this has done that there is a telephone number in the lobby here so that they can convey their thoughts to a member of Parliament. I urge them to call 613-996-7446. There are things that citizens must do in order to offset what the government has done so please call.

There are four short questions that I would like to deal with tonight and they are questions that Canadians are asking. How did we get into this mess? How do we get out of the mess? How do we prevent this situation in the future? What should be Canada's role in the future? How did we get into this mess? Without dwelling too long, this government has basically found it necessary to obligate itself completely to the United States.

A great deal of time has been spent by the Prime Minister, the Secretary of State for External Affairs and members of the Conservative caucus on how great the Americans are as a trading partner with Canada. Many of us have relatives in the United States and very friendly ties with the people of the United States. Very often over this century the United States has taken a tactic in its foreign affairs that is completely abhorrent to what most Canadians believe to be correct.

But the Prime Minister, for whatever reasons, has decided not only to work with the United States, but to obligate himself in a very unhealthy and unwholesome way. That is the reason we are into war. There are those of us who believe that this special relationship must be paid for. Canada has a trade agreement with the United States and whether you agree with it or not, this government was absolutely committed to it. To maintain it I am sure that James Baker told the Prime Minister the night he arrived that: "if you wish to maintain that you will not only back us politically in the international attack on Iraq but you will in fact get blood on your hands." That was the price. It may have been even more. The fact that we can join the United States and Mexico at the table talking about an agreement may in fact be the price. There may be more that will be announced later. But unfortunately, this Prime Minister and this government have attempted to place Canada in a very subservient obligated role to the United States in this very disastrous act.

The Prime Minister and the government do not enjoy the confidence of Canadians. Eighty-eight per cent of Canadians continuously express disfavour with this government, no confidence. Fifty-five per cent of Canadians on the January 7 wanted no action for Canadians in a war against Iraq. That number is growing. The feeling is stronger and stronger. I am sure, now that Canadian Armed Forces have been committed to attacks on the Iraqi population, that number will grow astronomically. There will be no glory for this government, no glory for this Prime Minister or this country in the acts that are done. Canadian citizens will not support it. There has been a lot of talk about the Canadian Armed Forces. We, on this side of the House, feel that the Canadian Armed Forces need to be supported. They have been placed in an extremely precarious position. Many of us feel that that position is not morally right and that in fact we feel the best kind of support for them and for their families is to withdraw immediately. This is not our war. This is not

our kind of action. Our Armed Forces have a far better role to play.

• (0500)

How do we get out of this war? Many Canadians are asking that question on the phones tonight. The government has to attempted to rationalize to the people of Canada in as strong a voice as it can—every member of cabinet, the Prime Minister, and every other member who has spoken in this House—why we need to join with the United States and attack Iraq, why we have to commit our Armed Forces in an offensive way to kill Iraqis. The rationale is extremely weak.

There are probably now close to two billion people, with the assets of almost all of the developed world aimed at a nation of 17 million people. The sanctions would have stifled them. The price of rice is $42 a kilogram and rising. It has gone up 90 times. Soon Iraqis will not be able to eat if those conditions continue. Certainly, their armed forces could not continue. The production of oil and the obtaining foreign currency would be virtually impossible.

How do we get out of it? We simply ask the Prime Minister to end Canadian involvement in the war, to withdraw the troops from actively attacking Iraqis.

My colleague from Comox—Alberni made a very reasoned suggestion that the government could use the troops that are there for containment. Why allow an attack outside the borders of Iraq? Why not contain the theatre of war? That is a reasonable suggestion and a reasonable role. We have effective, well trained members.

I am very upset that this government and our Armed Forces have not begun planning for the mission to take place as soon as the bombs stop and the guns go silent. What about our involvement in rescue and reconstruction? More people could likely die in the aftermath of the war with the chaos, the disease, the lack of sustenance, and the exposure that could happen. We have the talent, the capability, and the resources within our Armed Forces to deliver enormous aid. Down the road, Iraqis may in fact see us as friends again and trust us if we were to play that role. We may be individuals who are welcomed as citizens of the world in that part of the world if we offer a helping hand.

That is not going on right now. That has been confirmed by the Armed Forces. I would honestly like to hear the Prime Minister, the Secretary of State for External Affairs, and the Minister of National Defence saying that they have heard messages from the opposition and have plans in place for rescue and reconstruction the minute the bombs stop. We will join with Japan and other nations committed to that route as their contribution in this very unfortunate conflict.

What do we do to prevent this situation? How do we get out of the war? I am more and more convinced that we cannot do anything more in this House of Commons. The motion, as has been pointed out, is now irrelevant. The debate has largely been members thinking on their feet of what can be done.

Many people in this House have come to some conclusions. There is no point in having a vote. There is no point in continuing the debate much longer. The government has made up its mind and the opposition has made up its mind. The citizens of Canada can find a vehicle. Peace groups, church groups, labour and business organizations, and community support groups can join together in a committee to stop the war at a local level, at regional level, and at the national level. Such a committee representing the entire community can approach the government and the Prime Minister and place enormous political pressure asking the government to end Canadian involvement but not stop there. Ending Canadian involvement means becoming reinvolved in the traditional way that Canadians have been involved before and reorganizing the approach of the Armed Forces to rescue, rehabilitation and construction. We can also become involved in containment, the blockade, and the sanctions as a continuing measure until a peace treaty and co-operation can be developed. Many roles can be played, other than an offensive attack on the Iraqi people.

Such a committee to end the war in Canada can then extend its efforts to assist committees in the United States to stop George Bush and stop the American armed forces from bombing this country back into the stone age and from the enormous casualties that will accrue from a land war in that country. A committee to stop the war can spread out to smaller countries or other

medium sized countries such as the Nordic countries. They are not in this combat, killing Iraqis. They are looking at offering far more constructive ideas than Canada. It could discuss joining with those nations and asking them to co-operate in stopping the war.

This could happen on a much broader scale. If and when that war stops, when Canada makes a nobler contribution than we make today, the committee could become involved in attempting to motivate politically whoever forms this government and the next government that follows to prevent Canada from having dirty hands in this business. We are a substantial seller of arms and equipment in the world, which sustains armed forces of governments that are absolutely abhorrent to our way of life.

What is going on in Central America is completely disgusting. We should be influencing the United States to try to clean its hands of the blood it has gathered there over the years. El Salvador involved 80,000 people. In Guatemala, in Honduras, and throughout Latin America the CIA has operated for years, supporting dictators, supporting torture, supporting death squads. There has been enormous devastation. Very rarely do we hear a critical word on the government side of the House concerning that issue.

Canada's committee should stop this war and look at stopping future wars. Canada should not have dirty hands. We should never again get involved in attacking somebody. Down the road, we should look at how we can enhance our contribution to making this a safer and a more humanitarian world in which to live. That would be the image and the face that Canada should present to the world.

On the issue of sanctions and collective security, it strikes me that Canada has become an expert in the area of peacekeeping. Canadian Armed Forces members have placed themselves in a dangerous position between belligerents. Over the years, they have become experts in monitoring the flow of arms and in winning the confidence of both sides so both sides would accept the peacekeeping responsibility.

Maybe we will have to move into a new generation of contribution to the world community. I think we have the talent, the commitment, the courage, and the expertise to do that. In the business of sanctions, an interesting role for Canada would be to develop, through our diplomatic channels and the use of our Canadian Armed Forces, mechanisms to enhance the use of sanctions. When we have a peacekeeping situation, we cannot get in between belligerents in a hot war, but once they decide they want to stop shooting and they need a neutral force to stabilize the area, possibly an unarmed force to stabilize the area, Canadians are able to execute those diplomatically, maintain the diplomatic context in which that must happen, separate the belligerents, stop arms flow, and generally contribute in a very positive way.

If we were to do the same thing with sanctions, we should encourage nations around the boundary of a country that has had sanctions imposed on it to co-operate in support of the world community. With our diplomatic initiatives, if we are trusted and we are seen as a nation that can be trusted, we may in fact be able to win the co-operation which the United States, Israel or other nations with blood on their hands cannot do. We may be able to do that.

We can develop the expertise for monitoring the flow of goods on which there is an attempted interdiction. We could develop those techniques and develop expertise in making sanctions work so that nations do not have to resort to armed forces. Outlaw nations could be brought to the table before there is a resort to massive bloodshed.

• (0510)

The role that Canadians could play, not only in peacekeeping, could be a very forward looking one in which Canadians could become experts at operating sanctions. Canada is a trusted nation, a nation without blood on its hands and without an axe to grind but with a major history of contribution to the world community behind it. Canada has a willingness to foster peace and the friendship of nations through means other than resorting to violence.

Perhaps I would like to apologize to the hon. member for Carleton—Charlotte for the disruptions I caused in the points of order at the beginning of the evening. I think it was an expression of the kinds of frustrations that have developed here. I regret that. Over the course of the evening I have appreciated the contributions of all colleagues who have spoken. The thinking on their feet by everyone here has left us with a fresh crop of constructive ideas to use in going forward. We felt frustration over the difficulty of this government in giving credence to the opposition in any way, shape, or

form. Certainly it has had a great deal of difficulty in terms of any modification of its position.

I accept that it has taken the decision to attack Iraq. It is going to defend it to the end of its caucus, and that is fine. It is over. There is no point in a debate continuing on this motion or a vote. I think we in the opposition have to move forward together, bind Canadians together, and pressure the government to politically change its position.

It has been a very useful exercise and one that will lead to something very positive.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I came into this House somewhat despondent, depressed, saddened, and sickened by what was happening in the world today.

Over the last half hour or so, since the member for Saskatoon—Dundurn gave out the phone number of the opposition lobby, I have been involved finally in participatory democracy. I have been thrilled to be able to talk to people from all across Canada who are phoning in, on their dime, to tell us as parliamentarians what they think.

I would like to give them a voice right now in the House of Commons before I start into my remarks. I spoke to a gentleman from Calgary, Alberta who said he was still up and thrilled to watch the debates in the House of Commons, especially the members of the opposition. He was disappointed in the government's position, but he said that because of what he had heard from the members of the opposition he had confidence in Canada. He thought members of the opposition were showing a good deal of leadership in this debate.

I took a call from a woman from Victoria who said there were three in her family who were totally disheartened. She said it was a damned shame that Canada was in this war.

A gentleman from Tillsonburg, Ontario, said that he was frustrated members of Parliament were forced to toe party lines. He wished people in Canada could have a say. I am pleased to give him that opportunity today to have his say in the House of Commons.

Further, I took a call from a gentleman in Montreal who said he was disheartened by the government's approach to the Middle East situation and that he was sickened by the whole thing. I share that with him.

Before I go on to the next person, I would like to give that number out again. It is 613-996-7446. We have members of Parliament waiting on the lines to take calls.

Another person from Vancouver phoned and said that his position was that we should remain as non-aggressive, that we had to stay in the area and remain in a role of aiding, not in a role of attacking.

A woman from Toronto said that she was opposed to the Canadians being in the gulf and getting involved in the war. She felt and wished that they were peacemakers.

A woman just phoned me prior to my coming into the House from Calgary, Alberta. She said that she had not been able to sleep since this war started. She is worried about Canada being in the war. She said tonight that before her grandchildren went to bed they lit candles for peace. She would like us to reach that peace, a lasting peace.

Those are some of the comments of people from across Canada. That number again is 613-996-7446. We appreciate the calls from across Canada.

The motion before the House should be set out in my remarks. Once again, it is:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

Let us not make any mistake about what we are in fact debating in this House of Commons right now. We are debating whether Canada should be involved in the war in the Middle East. We are debating whether Canada should be taking an aggressive role in that war. That is what we are debating.

There is no doubt about it. Every member in this House of Commons and people across Canada have always supported the United Nations in its peacekeeping role. Over the last 45 years we in Canada have been proud of our Canadian forces and their role in the United Nations and in the world as peacekeepers and peacemakers. That has changed now, as of a couple of days ago, with Canada's role in the Middle East.

That is very disappointing to me. I was born just prior to the end of the Second World War and I have watched Canada build that reputation. I remember being in the United Nations Club when I was in high school and hearing guest speakers talk about the sleeping giant on the world scene. That was prior to the days, or around the time, I suppose, when Lester Pearson won his Nobel Peace Prize for his initiatives in the Middle East, in the Suez Canal crisis. I thought, as a young Canadian, that I could be proud of my country taking that position. This was a position that all Canadians could be proud of. All of our military and service people could be proud of their part in the world or global scene.

I was greatly saddened when I heard the sabre-rattling of the Bush administration and within hours I heard the sabre-rattling of our own government. That was not the Canada that I knew. That was not the Canada that I had become proud to be a part of. That was not a Canada that the people in my riding were telling me that they were proud of. Taking such an aggressive role in a military situation was totally foreign to me as a person born and raised in Canada. I was unused to that role. I still feel very uncomfortable with the role of Canada as an attacking nation. It is a role that I feel is untenable to all of us as Canadians.

Just prior to Christmas I visited a number of classrooms throughout the riding of Okanagan—Similkameen—Merritt, in Penticton, Oliver, Osoyoos, from grade 5 right up to grade 12. At that stage I was being asked questions such as the following ones. Why are we doing this? Are we going to be drafted? Is this going to lead to a third world war? What will be left of the world? Will they use the atomic bomb?

• (0520)

We have been told that we are fear-mongers for even talking about this, but these implements of war are present in the world. We would be ostriches with our heads in the sand if we did not approach and answer the questions. I wish I had the answers. I wish I could assure these children that there would not be a major conflagration, that this is a very localized war. I wish I believed that myself, but I fear greatly for all the world when I see the type of weaponry involved in this conflict and watch what has happened in Iraq and in Israel over the last couple of days.

The fire power is there to destroy the world we know. I cannot make light of that. I do not want to have a part in that. I want to go back to a world in which I can feel comfortable raising my two daughters. When I leave home to return to Ottawa and have a 12-year old ask me if there is some other way than flying, it touches me in a small way, but that small way is substantially smaller than how it is touching the people who are actually present in the conflict in the Middle East. Can we imagine what it is like being in Baghdad right now or Tel Aviv or Jerusalem, not knowing what is going to happen, not knowing whether in fact there is going to be chemicals and chemical warfare? My heart goes out to the people who are involved in this conflict.

I am not the only one who is concerned. Prior to the recent situation I received a number of letters and a number of calls. By far the majority of them, as with the calls I have earlier read into my remarks, is against a position of aggression by Canada.

The resolution sent to the Prime Minister by the city of Grand Forks, in the boundary country in my riding, says a lot of how the people in my riding think. I will read it into the record:

> The council for the city of Grand Forks unanimously pass the following resolution:
>
> Bearing in mind Canada's traditional policy of supporting the United Nations and cognizant of Canada's international reputation as a peacekeeper and aware of our responsibilities regarding the welfare and security of our citizenry as municipal legislators, the Council of the Corporation of the City of Grand Forks in open meeting assembled beseeches the government of the Prime Minister Brian Mulroney to exercise patience and restraint with respect to the commitment of Canadian forces to the current conflict in the Persian Gulf and urges the Government of Canada to spare no effort to effect a peaceful resolution of the present crisis and to establish, within the framework of the United Nations, lasting peace, justice and security in the region.

On behalf of the citizens of Grand Forks, their mayor takes the opportunity to urge the Prime Minister and the Government of Canada to consider this community's position regarding the role of the Canadian forces in the Persian Gulf. Some of the remarks and the resolution of the city of Grand Forks are reflected in some of the letters I have received. A letter from North Vancouver reads:

> Please consider, before committing Canada to war, every other possible censure and weapon against Hussein. So far, my impression of the international military response is that this is some form of military party, that no wants wants to miss.

He goes on in another paragraph and says:

> Don't let the majority of Parliament rubber stamp the decision without honest debate; our Parliament has been (almost unanimously) tragically wrong in the past. On February 25, 1941, Angus MacInnis was the only MP to speak out against repressive measures against the Japanese. And we all know how wrong that decision was.

A woman from Summerland, British Columbia in my riding, writes:

> I am an old woman and have lived through two terrible world wars, but realize that they were very small as compared with what will happen if we keep on this ridiculous way of dealing with the present situation.

A letter to the Secretary of State for External Affairs from Kaleden, British Columbia in my riding, reads:

> It is time our leaders realized that Canada is in a position to be a peace negotiator. We do not always have to follow the lead of the United States. We can be the country that leads towards finding creative, non-destructive methods to solve our differences. We can be the country that finds a peaceful end to this crisis.

I echo the words spoken by this couple in Kaleden, British Columbia. I agree that we can be that catalyst which brings about peace if we have the will.

In further remarks from a woman in Penticton, she states:

> Rather than be pushed by the United States to the brink of war, cannot we take the lead in striving for a peaceful solution? Canada has always gained world-wide respect as a peace seeking nation.

In the final paragraph she says:

> There must be a solution to solving world crises other than by going to war, resulting in the death of thousands of innocent people and leaving to mourn countless parents, widows and fatherless children.

Finally, the Penticton United Church of Canada has written a letter to the Prime Minister. I would like to read part of it. It indicates:

> Should war take place, the innocent civilian population, from infants to elders, will be subjected to mass slaughter. Those who survive will live through miseries we can barely imagine, in a land laid waste. Are we willing to deal with the increasing flood of refugees, physically or mentally maimed, that would result? If we support war, we must also take responsibility for the results of war. We do not believe our government has considered this.
>
> When we watch or listen to the media, we realize that a "war fever" has been building. The almost hysterical reaction of many is not only terrifying, but shows we have learned little from the past. Painting war in glorious colours has not yet been replaced by sober consideration. What would we be defending here? Certainly not democracy. And no nation should risk a bloody altercation over the availability of oil and gasoline.
>
> Because of modern weaponry, including chemical and nuclear attack, war, no matter how limited to start with, has terrifying potential to engulf all nations and perhaps the planet itself. War has become obsolete as an acceptable method of settling international disputes.

He beseeches the Prime Minister and urges that the government reconsider its strategy and press for peace by all possible alternative action.

These remarks of various people throughout the province of British Columbia, mainly within my riding, are ones that I could not have written better. That is why I have chosen to give those people a voice within Parliament tonight, as I have tried to give to the people who have phoned in a voice. I will tell the people who have been trying to phone in to keep up their calls. If there is no answer when they call, we ask them to keep calling. The number again is 613-996-7446.

• (0530)

To Shirly McKee from Penticton, I appreciate your call of support earlier this evening. We do appreciate those calls from all of you letting us know what your thoughts are on this most important matter and to give you, the people of Canada, a voice in the House of Commons through us, the members of the New Democratic Party. So keep the calls coming.

I would just like to wind up with a couple of extra comments that bring home to me why Canada should pursue, together with the United Nations, some common solutions to this conflict through international diplomatic co-operation. The Government of Canada must take the necessary steps to promote an international peace conference on the Middle East to start achieving common security. Without that common security we have little hope for the security of our children into the future. Most of all, that is what I want. I want to leave Parliament at the end of my term knowing that I have not failed as a politician, that I have not been part of leading this country into a conflagration. I want to be able to say that I have had a part in creating world-wide peace.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, at 5.30 in the morning, Eastern Standard Time, I had managed to catch a few winks during the night while the other eye was switching between the parliamentary channel and the news channel in an

attempt to keep track of the events unfolding in the wee small hours of the morning.

Certainly, the news from the last few hours has been more than a little distressing. I could not help but think what is taking place is not really surprising, because once the genie is out of the bottle, then no one is in control. The politicians are not in control. The generals are not in control. The people are not in control. No one is in control; everything is out of control.

Once Saddam Hussein let the genie out of the bottle in August last year and once George Bush and the coalition made the decision to open active hostilities a few days ago and commence their action, the genie was released once again. So now we have two genies floating around and the situation is doubly out of control.

With the second launching of missiles towards the State of Israel, we are all waiting with bated breath. There is little we can do but wait to see if the remarkable restraint shown by that state last night can be repeated. I think the preponderance of opinion is that it is not likely to be able to show that same degree of restraint again for a multitude of reasons.

If that should happen, the hostilities that now exist between the partners of the coalition on one side and the State of Iraq on the other may well be twisted, turned, and broadened so that some of the allies become opponents and a set of factors move and take on their own momentum, which may result in a conflagration covering the entire Middle East area of a nature that all of us, throughout the world, must surely shudder to consider. That is what happens once the genie is out of the bottle.

In the debate that has taken place over the last few days and certainly in the hours of last night and this morning, a few thoughts struck me. One is that we cannot pretend that what has happened has not happened. Whatever our recollection and interpretation of history, we cannot rewrite it and we cannot change it. We have to start from where we are; we cannot go back and try again, as much as we would like to. So while we may wish to recall certain events to see what we can learn from our mistakes, in order to try not to repeat them in the future, we cannot change them. We are still making mistakes but maybe it is not too late to correct some of them.

It is said by some that Saddam Hussein is a madman, a lunatic. That has been repeated many times in this House. Maybe he is, but, unfortunately, his is not a unique kind of lunacy. I am sure that a number of members will recall the lunatic theory espoused by Henry Kissinger and Richard Nixon in Mr. Kissinger's book on Vietnam and Cambodia. The theory was, and I will just try to paraphrase it briefly, that if you persuade your enemy that you are a lunatic or will act in a lunatic manner without regard to consequences, then your opponent may fail to put you to the test out of fear of an irrational or lunatic response and then you win. Was Henry Kissinger a lunatic? Was Richard Nixon a lunatic? Is Saddam Hussein a lunatic?

It is like the allegorical story that was repeated on television a few weeks ago by David Suzuki, the story of two drivers playing chicken. If you really want to win, the story went, you throw away your steering wheel and destroy your brakes. The theory is, when the other guy knows you cannot turn away, he will chicken out and you will win the game. The catch is, what happens if your opponent does not know or does not believe or, even worse, he has thrown away his steering wheel as well. We know what will happen and it just did. It happened on August 2, 1990 and it happened again this January. There are no winners and depending on what happens in the next few hours, we may all be losers and very serious losers.

I listened with a great deal of interest to some of the debate tonight, and one of the lines I wanted to pursue was pursued in a great deal of depth by a colleague not of my own party, the member of Parliament for Ottawa South. It was a very well developed argument on the changing nature of power structures in the world today and the lessons that we, perhaps, ought to draw from them. I am not going to go on at length. I would recommend to anybody in the nation that his remarks were very much worth reading.

• (0540)

One of the phrases he used concerning the current situation and the current action undertaken a few days ago was, and I think I am quoting him correctly: "The wrong action at the wrong time by the wrong force." That was at 10.15 last evening Eastern Standard Time. One of the things that concerns me, because of the way things were done a few days ago, is that we have wasted an opportunity to do things right. We could have set up a

United Nations operation and command in a way and a manner that would pave the way for effective and acceptable peacekeeping and peacemaking in the post cold war world. The checks and balances of the balance of terror are gone. While it makes many of us very uncomfortable I am also glad that they are gone.

I am sure many Canadians will recall the days in 1962 when those of us who were leaving work on a particular evening when the threats of the Cuba missile crisis were heavy, said goodbye to each other in a different way than we usually do because none of us knew if we were going to be coming back the next morning. The buses home after work that day were very silent. The difference is that most of us in most of the world are reasonably assured that whatever happens, most of us will be seeing each other the next day and that is refreshing. There are no longer two people in the world with their fingers on the big button. That, in itself, presents new and very real dangers.

We must begin to construct new mechanisms, hopefully through the United Nations, which can deal with matters of aggression and major violations of human rights and national rights. The world is dominated by a single superpower which has not demonstrated that it is the most responsible force on the face of this earth. This is little if any more acceptable or welcome than the regime of the balance of terror from which we are now emerging.

A lot of silly things has been said in this debate on both sides of the House. I hope I will not add to their number. The present conflict did not start in January of this year. It started last August. There are members on both sides of the House who appear to sound so virtuous and self-righteous that all they do is enrage others and increase the level of mutual intolerance of which there is enough already, both here in Canada and throughout the world.

The motion before us reads:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

The New Democratic Party asks that this be a free vote for very good and valid reasons. The government said no but it is free for us. The government and its spokesperson have made it clear that it would interpret a yes vote as support for their policy and that I cannot support, and it is not a cop-out. But neither can I vote against a motion that says what this motion actually says. That only leaves me one other option and that is to abstain. That is not something I care to do. But because of what I regard as the mischievous attempt to manipulate this House of Commons by this kind of phraseology and this kind of interpretation, it leaves me no other course.

However imperfect the design of the current United Nations sanctioned policy is, the only hope for the future lies in a subsequent formation, perhaps for later conflicts, of a permanent UN command that can act reasonably quickly in later phases of this conflict or, more likely, in future actual or potential conflicts. That is the only hope for freedom, justice and peace in the single superpower world in which we are now located for better or worse.

I do not kid myself that a single superpower will agree to be bound by the same rules that apply to the rest of us any more than these rules applied to two superpowers. That is not the way superpowers behave. We have to work slowly and methodically to expand the application and acceptance of this kind of genuine international action because international action must be governed and managed. It must not be merely international in name or it will never be accepted and will never be effective over the long haul. That is the only hope for the future and we have to start now.

The conflict in which we have been engaged since last August and since early this week is a tragedy. We can only hope that it will be brought to a conclusion soon without a wider war and with a minimum loss of life on the part of all concerned. We must move soon to bring the nations of the Middle East to the peace conference table and work to construct stable and secure nations and stable and secure boundaries in that area.

Any of us who lived through the period of the last 40 or 50 years recognize that the Jewish people in the State of Israel had to have a homeland. But because of the duplicity of the British war office and the British foreign office in the early part of this century when the same lands were promised to two different peoples, we have had a continuing problem that is a running sore which

threatens the peace not only of that region, but of the world.

Any of us who witnessed the events prior to and during World War II will know that we in Canada as well as the rest of the world are guilty. When Jewish people from Germany and Europe were attempting to find a place to go, we all shut our doors. Their desire and necessity for a homeland was understandable.

No matter how evil the State of Israel has acted on many occasions in recent years—and it has, despite some of their origins and despite some of the earlier beliefs, they have adopted many of the same ethics and practices that their oppressors practised during World War II upon them. We still have to understand what made them what they are. We must also find some way that the Palestinians can be secure in a homeland of their own, while allowing some secure and stable boundaries of at least the original State of Israel. We must begin to build a Middle East that has something of lasting value. We must have some hope that that region will not tear itself apart to the detriment of all of us. As there often are in the world there are two rights and two wrongs. We must take the opportunity that surely will come when this immediate conflict concludes to assist in drawing all the parties together and provide whatever assistance and assurances we can to try to build some long-term security for all of the peoples of the Middle East.

• (0550)

We heard the remarks of the member for Saint-Denis earlier today. They were passionate, serious and deserved an audience. I trust that when he makes his major address he will repeat some of them. I also listened to the former premier of British Columbia, the member for Esquimalt—Juan de Fuca. Like the member for Saint-Denis, I was impressed by the obvious feeling and the knowledge of that member as he attempted to describe some of the events that had taken place and some of his hopes and his fears for that region and for the world.

This is not a simple issue and I have never pretended to have all the answers. I hope I know some of the right questions. But I am sure the people of this country are committed to attempting to build an international world order and international mechanisms that can be trusted and can be respected. I only hope that the actions which this government has been a party to over the period of the last few weeks and months will not prevent us and the rest of the world from constructing such a mechanism. That is my hope and my prayer. I am sure that the majority of the people of my own area and I hope the majority of the people of Canada will agree with me on it.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, it is approaching six o'clock in the morning. Some of us have been here since ten o'clock yesterday morning. I feel more vigorous than if I just got up.

I have been here 27 years. I do not consider this a Conservative issue. It is not an NDP issue. It is not a Liberal issue. I will say in English and French it is not a Quebec issue. I am Catholic, a strong believer, but this is not a Catholic issue. This is a moral issue. I never believed that after 27 years in this House people would start to understand. I really liked what the hon. member has just said. It prompts me to make a short comment. At long last we are addressing the real issue. We are going back to the causes of the problem of today.

I will repeat again, even to the point of maybe embarrassing my friend and colleague from British Columbia, the member for Epquimalt—Jean de Fuca. He is not in my party. He does not speak my language. He is not from my religion. Yet he made an unbelievably moving speech. He asks what is wrong. It was a very ordinary speech. It was not because it was important, a deeply felt speech.

When we want to solve a problem, it is not enough to govern.

[*Translation*]

You have to anticipate. You have to have vision. You cannot push people around. You cannot humiliate them. You cannot torture them and expect them to take it forever. However, it would be so easy.

[*English*]

That is what the member is prompting me to say. It would be so easy. I do not understand. People see it as so difficult, and I see it as so easy. I must be at fault. I must be totally wrong. I see it as an easy way. It is a question of respecting people regardless of skin colour, religion, rich and poor, black or anything. Just as long as you breath.

We are all the sons and daughters of the same God, because there is a God. That God today is looking at us and saying: "They are my children. Are they not intelligent enough to make peace with each other instead of

killing each other? Are we so deprived of grey matter that we are totally unable to find solutions?

I want to thank the member because I do not feel alone any more when I talk about the Palestinians, and peace between Israel and the Palestinians. I have given 26 years of my life to conferences. In my party, I have been pushed and pressured. The pressure is still going on at this late hour this morning to ask us to vote in favour of this motion.

The pressure is by powerful people I respect, but I do not give in easily and I will not. I hope my colleagues will reflect. We will listen to the other speeches, but I really am so full of energy suddenly because I see so many people who realize that yes, maybe we should have paid more attention to that part of the world.

It could be exploding. The news is not good. It will not be a macho Stallone style of war where we go in, clean up and that is it. No. The hate is profound. I do not want Canada to be hated. We have no reason to be hated, because people love us. They think of us in ways that even we do not know ourselves. We should kiss the floor everywhere we go in this country of ours.

Everybody likes Canada. Sometimes I really wonder if we deserve it.

Mr. Kristiansen: Mr. Speaker, again I find myself for about the third or fourth time in the last 15 hours touched by the comments of the member.

It is not necessarily germane to this particular debate that we have tonight, but I just want to say that it does renew one's faith in this business in which we are engaged to see someone who has been involved for as many years—I say that in a respectful way—as the hon. member for Saint—Denis. He still has that degree of enthusiasm, commitment and belief that something can be done. It is a business that sometimes increases the level of cynicism—it is almost certain to—but to maintain that degree of passion and commitment is something welcome to behold.

• (0600)

Leaving that aside, the one further comment I would like to add to what I have already said is that there are many things I did not say because my colleagues and other members touched on them, particularly the reputation of that great superpower to our south. I do not feel comfortable in that kind of single superpower world any more than I did in the two superpower world that preceded it.

Even though I am uncomfortable with that, the evil that was done by one nation to another last August, the occupation of Kuwait, and what happened in Kuwait since that invasion and that transgression, the catalogue of infamy that took place in Kuwait, as recorded by Amnesty International and other observers, almost made the record of the Nazi invasion and occupation of Denmark—a history with which I am somewhat acquainted—pale in significance. That was a civilized invasion and occupation compared to what happened there. I cannot forgive that, but neither can I forgive an action that threatens to blow up that whole area and cause it to move back into the dark ages and remove perhaps any chance we have to reconstruct a stable, secure, and just order in that portion of the world. That is the fear I have and that is why we have to find some way to get those two genies back in the bottle.

Mr. Sid Parker (Kootenay East): Mr. Speaker, before I begin my remarks, I want to commend our brave young people in the armed service who are currently carrying out the policy of the government of the day in the Persian Gulf. This debate is not about them directly. It is about the decision by the government to commit them to war.

I would like to make my position very clear today. I am opposed to Canadian offensive participation in the gulf war for three reasons. First, I would prefer to see Canada play a significant humanitarian and diplomatic role, rather than a symbolic offensive military role that may restrain our future ability to play an active role to bring about peace in the Middle East.

Throughout the night as this debate is taking place, we are receiving phone calls from across Canada. We are urging people to phone in with their concerns to area code 613-996-7446, to express their concerns. I know there are many people out there who feel as devastated as I do by what is taking place.

I believe that other avenues at least had the potential to bring Saddam Hussein to his knees. I will not commit my vote to a war until I, as a member of Parliament, am convinced that no other options exist. I would like to remind the House that the New Democratic Party did

not support the headlong rush into war represented by and I Security Council resolution 678.

As we debated that resolution, we talked about our concerns about a deadline and how it would be seen and would be effective. Throughout that debate, the government kept insisting that that was only a date and that we could continue sanctions. It did not mean that war would break out at that date. Less than 14 hours after that date came about, Canada was at war.

I want to say how devastated I was when I heard that, after hearing the comments from the Prime Minister and from the Secretary of State for External Affairs every day as we questioned them in the House with regard to sanctions and asked them for proof that they were not working. Not one single time did the Secretary of State for External Affairs or the Prime Minister put forward any concrete evidence to the House that these sanctions were not working. They kept telling us that the sanctions would continue and that it did not necessarily mean that we would be going to war.

We voted against that resolution. I had hoped and prayed that I would not have to come into the House and say what I am going to say at this moment and that is, we told you so. The Prime Minister, the Secretary of State, and the members of the government who voted for that resolution have now got the conscience 14 hours after the deadline of putting Canada at war.

There is a fundamental question that all members of the House have to ask. . . as they formulate their position. We are all appalled by the brutality of the Iraq invasion and the occupation and the suffering of the people of Kuwait. But what is the trade-off? Would seven or ten more months of sanctions, sanctions that many experts felt had a good possibility of working, be a fair trade-off for what may be the loss of hundreds of thousands of lives? The answer I could arrive at is yes. The risk of sanctions not working was preferable to the risks of war. The uncertainty of sanctions working is no less than the uncertainty of where this war could take the world.

What is the most appropriate role for Canada? I would like to take the opportunity to expand on each of my three points. There are many countries that strongly oppose Iraq which are not playing an offensive military role in the gulf. There are many countries that have contributed to all the military build-up in the gulf which strongly oppose Saddam Hussein and have abided by that UN sponsored programs and sanctions. It is very important to consider the question of why some countries support the United Nations have chosen to become involved in this war in an offensive manner and why some have hesitated. It is fair to assume that each country's decision is based on an evaluation of tradition, capability, history, and its perception of what the best course of action is.

Our government has decided that the act of military engagement is the best and most appropriate of action. I fundamentally disagree with it. I believe that Canada has a tradition: a view of war as the last possible resort. I must say that this is a tradition that differs from that of our neighbours' to the south.

• (0610)

There has a been a lot said about the role played by Lester Pearson in developing this tradition. This precedent has served us so well and I, too, would like to acknowledge his enormous contribution.

I too, would like to acknowledge the vital role played by John Diefenbaker during the Cuban missile crisis, because I believe it is important to point out the non-partisan history of our Canadian experience. Mr. Diefenbaker could have enthusiastically backed the military effort of the U.S., but he insisted that Canada would make military decisions on its own and only as a last resort. Mr. Diefenbaker could have committed Canada to participating in the U.S. sponsored trade embargo against Cuba, but he did not.

Through his actions, Mr. Diefenbaker said forcefully and courageously that Canada, although it agreed about the threat posed by missiles in Cuba, would make its own military decisions.

Canada has a tradition of military caution and of looking for non-military solutions to conflict. I believe this current government has broken with this tradition.

The next question, and one I think all members who opposed the government's decision have a responsibility to answer is: What should Canada's role be?

I suggest the number of actions that should be considered, including the use of our military personnel for what could be best described as humanitarian roles, such as medical personnel, refugee and relief operations, and

the preparation for possible peacekeeping operations following the war.

Canada should also be pursuing a very resolute and non-combatant diplomatic effort, as we did in Vietnam.

I must say that I do recognize the efforts made by the Secretary of State for External Affairs prior to the start of the hostilities. I do appreciate the fact that he has allowed Iraq diplomatic representation to remain in Canada. But what happens if Jordan, Syria, Iran, or Yemen join the battle against our allies? Who is going to be in a position to negotiate? Who will be able to lead a diplomatic initiative if the whole region goes to war?

I believe that an active military role by Canada will end any chance of Canada filling this essential role and, frankly, I fear it will reduce our options to simply increasing our military commitment to fight other enemies.

In returning to my second point, the abandoning of sanctions, I would like to point to the experts who have offered the opinion that sanctions are working. Senator George Mitchell, Senator Wellstone, former Chairman of the U.S. Joint Chiefs of Staff Admiral William Crow, Georgetown economist and sanctions expert, Dr. Gary Hufbauer, and the list goes on and on. These people say that sanctions had—and I use the past tense—a reasonable chance to achieve their objectives.

Many of my colleagues from the Liberal and Conservative parties have said that this issue is now irrelevant, that sanctions are dead. It is clear there is some twisted logic at work when people, who three days ago said that we must stay the course with sanctions, now say that they support offensive actions in a war they did not support.

It was a mistake by the allies to go to war three days ago. It was a mistake by our government to support the January 15 deadline. It was a mistake to give up on sanctions and the policies that all agreed were hurting Iraq. It is an horrendous mistake to argue that because war has started it is now right to support an offensive role by Canada.

It is obvious that we will not know the casualty totals for some time, but no one would argue that if this war goes on the death total could reach into the hundreds of thousands. That is what war really is, death and destruction.

What is the cost of 100,000 lives? One month? Two months? Three months? I cannot pretend to know that answer. But I can say this, it is more than five months and that is all that we gave sanctions time to work.

I will not—I cannot—vote to commit our brave young people to fighting a war that our politicians have not taken the time to resolve. This is the most important decision I have ever had to take in six years in the House. I will not vote for Canada's offensive participation in a war just because it has already started.

In finishing, I would like to restate the fact that the New Democratic Party warned against supporting the deadline because of the fear that the exact scene we are seeing today, an unnecessary early war, would happen. That is what we are faced with. The fact that the worst has happened is not enough to force me to vote for war.

Before I conclude, I would like to read into the record a few letters and petitions that I have received from my riding regarding this very sad and dreadful decision we have made.

This first letter is addressed to me, with copies to the Prime Minister and the Secretary of State for External Affairs. It was dated January 16 and is from constituents in Fernie, British Columbia. It states:

> Dear Mr. Parker,
>
> The only heartening thing within the events of the last days has been the strong, sane position of the New Democratic Party and Audrey McLaughlin's forceful statements of that position. The failure of the United Nations to find a peaceful solution is an enormous setback to the establishment of lasting world peace. Canada should not back the United Nations in their erroneous decision. We are extremely angry at our elected government committing our country, our friends, and our family to war. We can only hope that all Canadian young people will understand the insanity and immorality of war.

I have another letter from a constituent in Grasmere, British Columbia addressed to the Secretary of State for External Affairs, the Leader of the Opposition, the Leader of the NDP, the hon. member for Burnaby—Kingsway, and myself. It states:

> Dear Sirs,
>
> With all of my mind and being, I object to Canada's involvement in the gulf situation to further maximize profits for multinational corporations. An economy based on an arms race and war is an unforgivable failure of our government's foresight and leadership.

Truth and non-violence are timeless. One can never cease to be amazed that so many continue to passively accept the anxieties and crumbs handed down from an affluent society to gamble off lives in applying the ultimate sacrifice in unbearable pain and suffering.

• (0620)

I also have a petition from 65 residents of Cranbrook, British Columbia dated January 16, and I am not going to read off all the names. It states:

Dear Mr. Parker,

We are a group of concerned citizens in your constituency who strongly and proudly support your stand and your efforts for peace at this very crucial time.

We feel Canada's role in the world should be one of leadership in making and keeping peace. We, as Canadians, do not support aggressive military action as a way to stop, mend, or prevent aggressive actions of others.

We hope that you will continue to be adamant in this view and that Canada will accept and follow this view so that we will not be engaged in offensive action in the Middle East.

Before I sit down, I plead with the government, government members, and all members of the House of Commons to find a resolution to this deadly war and to bring about peace as quickly as possible so that there will be less suffering and less damage throughout the world.

Mr. Ray Skelly (North Island—Powell River): Madam Speaker, I would like to point out that there have been numerous phone calls to parliamentarians tonight with people expressing their opinions on this, and I would urge those calls to continue to 613-996-7446.

The opinions of Canadians who have been flowing in here tonight have been incredible. The number of people who are awake and have said they cannot sleep since this thing has started, the suggestions that have come in over the phone, and the absolute commitment are enormous.

The one thing I want to raise with the hon. member and every other hon. member is the problem with the action of the Prime Minister—an individual who enjoys the antipathy of 88 per cent of Canadians and the hostility of the majority of Canadians—and his cabinet declaring a state of war with Iraq.

It has been said that nobody, individually or collectively in a small group, should be allowed to make war on behalf of Canadians. The suggestion has been that there should be a division of power and some checks and balances in this matter. A vote of this House should be the only authority to declare a state of war to exist with another nation and to authorize the use of armed forces aggressively against them.

Would the hon. member support the concept that we members who support the idea that a Prime Minister and cabinet cannot make a decision to attack another nation offensively and to declare a state of war to exist, should go forward and put together a private member's Bill and seek to have every member of the House endorse it? It would see the power to declare a state of war removed from cabinet and the Prime Minister, and the only authority that could declare war on behalf of this country would be this House by a full vote of every member.

Would the hon. member support that proposition so that that we could move forward and this decision could not be made by a Prime Minister obligated to the United States, or a small group of Canadians called the cabinet could not make that decision?

We are not talking about defensive action. We are talking about aggressive action in a state of war. That would be decided by a full vote of the House. We should put together a private member's bill and attempt to sell that bill to every member of the House so that we never have to face an entrapment motion such as the one that has been placed before us in this situation.

Mr. Parker: Madam Speaker, I would like to thank my colleague for the question. It is an excellent opportunity. This is one of the things I noted in the House as we started to debate this, as the tragedies unfolded, and as we were watching television. I heard and saw the devastation of each member on all sides of the House at the destruction and capabilities for it taking place out there.

I heard many of them talking to one another saying that decisions were being made by a half of the House.

Many of the people across Canada who voted for the government and for these positions gave their support to this side of the House. When a decision of this magnitude is made, that is the type of debate and those are the kinds of policies that should come forward so that when that decision is made, the total commitment of the Canadian people has been debated in a non-partisan way and in a very active way without any commitments of any kind to any other promises that may be made or deals

that could be cut with other groups and so on. I am not taking about members of Parliament. I am talking about the kinds of discussions that take place between other countries and other groups in which we are not involved at any time.

I agree with the suggestion that was put forward. I would hope many politicians and many members will get together to try to bring about that kind of policy.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, first I have a comment.

The member from Powell River has given out a phone number, 613-996-7446. I want to tell the House that those of us who have been participating in this participatory democracy are thrilled at what has been happening. We have been taking calls from coast to coast. So far, to my knowledge, we have had none from Yukon or the Northwest Territories.

I would like to share with the House a comment from a woman in Edmonton who said that this is the first time in all her life—she was quite sincere about this—that she could say something that she felt would be heard. I have assured her that her voice would be heard in the House. She wondered how we had changed our role from one of a peacekeeper to one of a warmaker, and whether we were not simply now, through the government, being the echo of the Bush administration.

I would like to ask the member for Kootenay East the question that she posed to me. In the past and through the years, Canadians have been proud to hold their heads up high when they travelled internationally. They have always gone abroad and have been well respected in the Middle East, the east, and central European countries. Everywhere they have gone, they have worn the maple leaf with pride. Will we, through this, lose our respect in the international community? Would the hon. member respond to that woman from Edmonton?

I remind people that the number is 613-996-7446. Keep the calls coming.

Mr. Parker: Madam Speaker, I would like to thank my colleague for the question.

It is a remarkable thing that here we are at 6.30 a.m. after a long debate throughout the night. Phone calls are coming in from across Canada expressing Canadians' concerns and desires for Canada to maintain a peaceful role and not an offensive role.

I believe we have lost our tradition. If we continue in this aggressive role, we are going to lose that tradition. But what is even more severe is the fact that, when this war is over and if we have participated in an offensive way, we will also lose the respect, dignity, and trust that we have had for many years as a country that is peaceful and does everything possible to find the avenues of peace.

Not only will we lose our trust as individuals, but as a country. We have worked so hard for that—and I am not going to be political here—not only under Liberal administrations, but also under Mr. Diefenbaker's administration. As I have stated in my speech, not only under the Liberal administration, but also under Diefenbaker's administration New Democrats for years have been known to be striving for peace and ways to maintain peace. I want to say that yes, our tradition as a peaceful nation and one that is respected world-wide is at stake. I would urge the government to reconsider its offensive role to get back to the role of peacemaking and find a solution so that we can get out of this horrible mess.

• (0630)

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, a number of us have referred to the resolution. I would like to do the same thing so that we will know just exactly what we are supposed to be discussing. It is very short:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

It has been said that it is a resolution that should give the New Democrats any difficulty because we have always been strong supporters and proponents of the United Nations. Had that been the end of the story, there is no doubt that we would have been supporting the resolution.

But, Madam Speaker, you and I were in the House. We heard the Secretary of State for External Affairs say on one occasion in response to a question that the government is not going to be bound by Security Council resolutions because they might make the wrong decision.

It was only after the Security Council passed the resolution that we are talking about that the government then said: "Well, that is our policy", because it reserved the right to go in Bush's direction if the Security Council was not prepared to go in that direction.

That is why we have trouble supporting this resolution. It is not really the United Nations, position. It is a position that was drafted by President Bush and his advisers. Again, Madam Speaker, you and I have had an opportunity to read the reports of how the President and his people were travelling around the world, calling in all the markers they had, to make sure that every one of the Security Council members supported their resolution. They pulled out all the stops and they got the support. That is not a decision freely arrived at by the Security Council as we see it.

To get to the discussion that we have had, I am not sure how many hours. We are now into the fourth day of it. One loses track of time. I heard someone say in one of the phone calls that they were having trouble sleeping. Some of us might be wondering just what that is. It is half an hour past my usual time of getting up. Like the hon. member for Saint-Denis, I feel more wide awake now than I did some 12 hours ago, so we will see how things go.

I have heard members on the government side of the House say we have to stop Hussein. They describe him with a 22-year record of brutality and terrorism in his own country, a person who has used chemical warfare against his own people, the enemy the people of Iraq have lived under for 22 years. If our motivation is truly one of concern for the people under Hussein's control, if we could wait for 22 years to pay any attention to it, why could we not have waited a few more months or even one more year, if that is what it would take for sanctions to work?

How many children in Baghdad or Tel Aviv or how many adults in or out of the armed services do we have to butcher or maim before we dare agree that it might have been better to have waited and given sanctions an opportunity to work. All the reports I heard were to the effect that the sanctions were working.

Even those who questioned them said that it was just a matter of time, that it could take as much as a year for them to work. We had already invested four and a half months in the sanctions, why not another of seven and a half months if it took that much, and let sanctions do the job that we are now trying to do by killing?

Some two hours after the news first broke I think it was at seven o'clock on January 16, a poem that I had memorized some 50 years ago and have not looked at, since, forgotten I suppose, came to mind. I attributed it in error to Mr. A.E. Houseman, when in fact it was written by Thomas Hardy. The third verse, as I recall it, goes something to this effect:

> Quaint and curious war is.
>
> You shoot a fellow down.
>
> You treat, if met when any bar is,
>
> Or help to half a crown.

War is quaint and curious. War must be mankind's greatest folly. War settle no problems. They exacerbate old ones and create new ones. They settle no problems. Wars are easy to start, but sometimes can be very difficult to stop.

This resolution states that we are working through the United Nations. This is a United Nations effort but, again, you know and I know that when President Bush talks about the war effort and when the Prime Minister of our country talks about the war effort, they talk about the allies. They talk about the coalition. They never talks about the United Nations force because it is not a United Nations Force. It has the backing of resolutions, yes, but it is an American force that is almost totally supported by a few of the allies or coalition.

Canada's role as a peacemaker was universally accepted and highly regarded until it started to weaken in 1984, the occasion of the present Prime Minister's election to that position. From then on our role as one separate, either economically, internationally, politically or culturally, has been so merged with the United States that we are now recognized more and more as nothing but a vassal of the present Bush administration, or a poor 51st state in the Union of the United States.

No one would doubt, no one would question, whether or not it is Bush who is calling all the shots and that we are following them—trying to anticipate them perhaps, but certainly following them. We have abandoned our role as a peacekeeper. That is a loss to us but it is also a loss to the world as a whole.

It is easy for politicians sitting in comfortable places far removed from any place of danger to vote in favour of war. We get to vote. The young people who go to the front lines have no vote. That should make us a bit more responsible in voting in favour of war, and yet we seem to do it so easily, so lightly, and not even because it serves our own interests best, but rather because it serves the interests of the American president.

"War is the ultimate human folly. This is something I collected some time ago but it is still valid. The money required to provide adequate food, water, education, health and housing for everyone in the world has been estimated at $17 billion a year. That is a huge sum of money, Madam Speaker. Just about as much as the whole world spends on arms every week of the year, to put it into perspective. One week's spending on arms would be enough to accomplish all those things".

I am going to read another quotation.

> Every gun that is made, every warship launched, every rocket fired, signifies in the final scene a theft from those who hunger, and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its labourers, the genius of its scientists, the house of its children. . . This is not a way of life. Under the cloud of war, it is humanity hanging on a cross of iron.

This is signed by Dwight D. Eisenhower.

Currently Canada spends some $13 billion a year. That is before we got involved in this campaign of invasion into Iraq, $13 billion a year to be prepared for war. Not fighting, but simply to be prepared for war; to be ready to kill, should the occasion rise. We are spending some $3 billion a year to try to help developing nations help themselves, not to give them relief but to try to help them to pick themselves up by their own bootstraps.

• (0640)

Canadians have fought in two world wars and have handled themselves very well, each of them a war that was designed, intended and described as a war that was going to end all wars. Canadians participated well and still are participating in many areas of the world in peacekeeping forces. Today, for perhaps the first time in our history, we are participating in a war as one of the aggressors again, supposedly in the interest of peace.

Canada has failed as has the rest of the world; we joined in the failure. What we have been doing has not worked. We have been fighting wars, wars of defence and, currently, a war of aggression to preserve the peace and none of it has worked. Certainly out of this war, if peace comes it may be 1,000 years down the road. There has to be a better way and I suggest that there is.

I am not a pacifist. I spent five years in the air force during the war and that was a war that had to be fought; the mistakes were made long before war started, there is no question about it. I am not saying that this one is much different. The mistakes, again, were made over a 22-year period. But there has to be a better way and we have to start before we get into war, not after.

When I was in high school, I was impressed by a teacher who, years later, became a columnist for *The Ottawa Citizen* and is retired here in Ottawa now, Ronald Grantham. He won an international prize for writing a letter or paper on unilateral disarmament.

What I am proposing now as the better way, the only way that can work, because what we have done up till now has certainly failed humanity totally, is for Canada to disarm totally and unilaterally its armed services, do away with our defence spending and concentrate on using that money to help those nations that need it to help themselves. Let us use our money to build peace rather than to arm to fight wars because fighting wars never has and never will produce peace. There may be a cessation of hostilities but we never get peace by fighting wars. Let us disarm and show that there is a better way.

I am not proposing this to the world as a whole. That, I hope, will come, but I am saying that there is one country in the world which can do it alone. There is one country in the world that is big enough. If we abandoned our defence spending, the amount of money and the effort that we could put into a program for peace would be large enough that it would be noticed around the world. We can do it because, although we are very large, very rich in resources, a very productive people with a very strong economy, there is no possibility of our defending our borders against either an aggressor from the south or one from the north. It is totally impossible for a nation of some 30 million people to defend some 10,000 or 15,000 miles of border; it is just not possible.

We could abandon our defence spending. We are not going to defend ourselves. The amount of money that we are spending on defence, some $13 billion a year right now, of money that is being spent, is but a pittance out of the total amount internationally, of over $1,000 billion a year. Our $13 billion is such a small portion in comparison to the total, it would not be noticed in the total world pool of defence spending. But the contribution that we could make to international aid and development would be noticed. And hopefully, working through the auspices of the United Nations—and as I said before we have always supported the United Nations and would love to be doing it in this case if we thought it was a decision freely arrived at—and selecting countries that would benefit from this kind of assistance, countries that were prepared to forswear spending their scarce resources on national defence as well, on the condition that they had a guarantee from the United Nations organization that their borders would remain intact, perhaps we could widen the circle of nations that would be prepared to leave security of their borders to collective security, as provided by the United Nations.

Canada is unique. We can give up defence since we cannot even pretend to be able to defend our own country. The experience we have had with our armed services this year has been such that we know they are exceptionally good at organization. They could well be used to do the kind of work throughout the world that I feel would be building for peace as opposed to fighting wars and killing people, and hoping that we can kill enough so that the next war will be a little further delayed than it might have been otherwise. Canada is one country that is unique enough in that it cannot defend itself so it might as well give it up. Yet, it is important enough economically that it can make a significant contribution to the kind of program that I have been describing.

We are now participating as an aggressor. We have abandoned our peacekeeping operation. We no longer have that kind of a reputation. Let's take another look at it and go at it from a different direction. Let us make an effort through economic development, using our exceptionally capable armed services to do the organizing so that we can make a tremendous impression upon the world and show there is a way for human beings to live together. If we go on the way we have been going for centuries and even for thousands of years, if we do not soon learn to live together, we are going to give up living altogether as a species on this planet.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, with your indulgence I would like to make a comment and then ask the member a question.

My comment is to thank the people across Canada once again for their participation in this debate throughout the night. It has been most heartening to see that the people of Canada do watch the parliamentary channel, whether it is in British Columbia or St. John's, Newfoundland, regardless of the time of night. We have had calls over the last couple of hours from all across Canada.

Just recently I took calls from about 14 people from Ottawa, a couple of people from St. John's, Newfoundland, and from Dartmouth, Nova Scotia. All these people speak with one voice in saying they do not want Canada in an aggressive role in the Middle East. I want to express my appreciation to all these people who have phoned in. We have made note of all they have had to say and hope that we have been able to use some of that in our speeches this evening.

I would like to go on with another comment and question with respect to a call that I took from Penticton, British Columbia, a couple of days ago. This person worked for 28 years in the military. His position was that the Iraqi war machine should be crushed because of the build-up of arms. We discussed over a period of time what that build-up of arms was and the difficulties that we were going to have as a nation if we moved, as he said, from a war machine led by a madman and wondered who defines the war machine that should be crushed and who defines the madman. Do we go through all of the countries that have built up arms and who is going to be the policeman in this?

My question to the hon. member is this. Is there some way that he sees to cut off the supply of arms to some of the nations that are building up, such as Iraq, which have built up their arms as a result of imports from places like France, Germany, the Soviet Union and the United States? Can he, in his wisdom and with his experience of World War II and his experience since as a legislator, see any way of tightening up the control so that we get to the root of the problem in this arms build-up and the greed

of the arms builders. Can he make a comment on that for me please?

• (0650)

Madam Deputy Speaker: I would like to advise the hon. member for Nanaimo—Cowichan that his colleague has left him a minute and a half.

Mr. Stupich: Madam Speaker, the answer has to be through the United Nations organization and I mentioned that during my speech. If that organization becomes influential enough, and people agree that it will have the power to resolve disputes and to guarantee borders, then those nations will not have any need for the kind of armaments they are buying now and paying hard dollars for in many cases and bankrupting their countries to do it. They will not have any use for equipment like that. They will not need it to protect themselves and they will not be able to use it to attack anyone else, so there would be no point to it any more.

The answer lies in strengthening the United Nations. I discussed during my speech and suggested how that could be accomplished.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I rise to do something I thought I would never have to do, and that is speak not in the theoretical, but in the real fact that we are a country at war. It is not formally declared, but nevertheless one we are into.

Let me say at the outset that perhaps in some way I am a contradiction in terms of my very existence. I exist because of a war. My father met my mother in Scotland when he visited relatives of his brother-in-law, when he was sent there as a member of the Queen's Own Cameron Highlanders out of Winnipeg. He met my mother. They married and then he was shipped off to Dieppe where he was captured and spent most of the remainder of World War II in a Nazi prison camp in Poland, Stalag 8-B. He was released at the end of the war and came back to Canada and I became their first child.

I say a contradiction because when I was 13 he died of the ramifications of his incarceration. So I have mixed feelings about war, recognizing that sometimes we have no choice, recognizing that sometimes major blunders occur in the decisions of war and the decisions to go to war.

I had the honour three years ago to retravel the path my father took as a member of this House, along with the then Minister of Veterans Affairs, the Hon. George Hees, to attend the 45th anniversary of the landing at Dieppe. In a lot of ways that solidified growing feelings in me about war and the stupidity of such means to resolve conflicts between nations.

Not only was it in seeing the reality of Dieppe, a place that should never have been invaded, because it was impossible to attack and win, but also seeing the reality of the tombstones in England and France and thinking back to comments from my parent's generation of newsreels about when the boys came back home. The ages on those tombstones were 18, 19, 20, 21. They were boys. They had to grow up in a hell of a hurry, but they were still boys who died on those battlefields.

At the same time as more and more information about the Second World War was becoming evident because of the release of confidential documents, to paraphrase the words of George Hees at that time when we held an evening remembrance service at the cemetery at Dieppe, was his comment on the generals and the stupidity of the decision by the generals about going into Dieppe.

We made a mistake in Dieppe and as a nation we made a mistake, as a world we made a mistake in going to war before sanctions against Iraq had time to truly work. There is no question in my mind about that. This is a dumb war. This is an unnecessary war. It is also a war where Canada has undermined 20, 30, whatever years as a nation of peacekeepers, of men and women who have been out there around the world keeping combatants apart, whether it is Cyprus or Israel. I visited UN camps in Israel on the Golan Heights.

Men and women along with other nations such as Finland and India, to name just two, have worked very hard to keep combatants and warring nations apart. That is Canada's role. That is what Canada's military is equipped to do. We do not have the equipment, the force in terms of personnel to be an offensive nation, and thank God that we do not. At the same time, I am scared about what will happen to our men and women who are already deployed in the Persian Gulf and those who may soon be deployed.

It is now a few minutes before seven o'clock in the morning. Technically, according to the House of Commons, this is still Thursday. Some of us believe it really should be Wednesday. But in the last hours of this debate, I will be the last speaker for my party and my friend the member for Saint Denis will be the last for his. We have been receiving phone calls from across Canada. It has been truly remarkable.

In the time remaining, I would like to try to report to the House about the exchange we have had. As someone who has been staffing the phones in the lobby, I have been talking to people whom I have never met, not one person have I ever met in my life. A lot of the calls were from British Columbia primarily because of the time zone reality. I want to say that I took calls from people in Ontario and Quebec who have not been able to sleep. They have been up all night concerned about what Canada got itself into, worried sick, and they are watching the debate in the House of Commons.

One of the messages they passed on to me is that the reason they are watching the House of Commons channel as opposed to the multitude of news channels is that finally they are hearing something about peace, that they are hearing from members of this House who are saying that this war is insane, this war has: "to stop, we have to find a better way, and they are saying: Thank you, keep up the good work".

• (0700)

A lot of times members of Parliament feel pretty lonely. Certainly, at a time like this when my party has differed with the party positions of the rest of the House and, perhaps, for the short period of time with the position of a lot of Canadians, it gets pretty lonely.

I will tell you, Madam Speaker, the calls we have been receiving have really helped us because we know that we are not alone. We are speaking for hundreds of thousands of Canadians.

Let me give some of the thoughts from these Canadians. A citizen from Burnaby is opposed to the war. He says it is a catastrophic blunder and he is now looking at diverting his tax dollars to the peace tax fund.

Another said: "Totally wreckless", A gentleman from B.C called. He is an immigrant from Yugoslavia who has been here for 20 years. He says that this war is totally wrong, that it is an atrocity.

Another talked about the innocent children, women and old people of Kuwait and Iraq. They did not cause this war. They are going to get hurt and killed. Others made comments about the government. They are so sick of this government. Others said that this is a very interesting debate. They appreciate it happening, and we do not support the war. One physician from Ottawa called about 5 a.m. She just got off night shift at one of the hospitals. A member of Physicians for Nuclear Responsibility called in to express her support.

There is great agreement with what the NDP has been saying. This next comment was quite interesting because a lot of us have been watching the news channels and the scenes. Certainly, the one scene from Iraq, the first pictures to come out of the bombardment with the anti-aircraft weapon response, looked like *Star Wars*. It looked like something out of a movie.

One individual said: "People think this is just one big Nintendo game." Then he pointed out and said: "These are live players. These are human beings in that Nintendo game. It is not an artificial thing that gets eradicated. It is live flesh and blood".

Others pointed out that we should not fool ourselves, that this is really not a United Nations force. This is an American force with a few other countries participating.

A gentleman from Oshawa called with clear disapproval of the Canadian involvement in the gulf. A gentleman from Downsview said: "This war sickens me." A lady in Vancouver called and said that she had been at a meeting last night organized by the COPE aldermen and 500 young people walked 30 miles from Maple Ridge to Vancouver to the meeting chanting: "We don't want war. We want peace." That is the next generation. It is also the cannon fodder. Let us not forget that.

Others said: "Bring our forces back." One said: "We are ashamed of our country in terms of what it has done." Others reflected what we all know, that this is an emotional roller coaster. They have said that Iraq should not be occupying Kuwait, but they are also ashamed that the Prime Minister chose to give Canada an aggressive role rather than a peacekeeping role under the direct auspices of the United Nations.

A person from Nanaimo said: "I wish there was some way to stop this war". Another said: "Because of what I have heard tonight, knowing that there are people in Parliament who are expressing what I have been thinking, I can sleep a little better tonight and thank you".

One asked for a wiser approach to how we deal with these kinds of disputes. A person from Toronto wanted to add their voice to a desire to end Canadian involvement in the war and proud of the NDP for the position that we have taken, and would love a peacekeeping role.

One lady I talked to, who is a former citizen of South Africa, talked at length about the sanctions and how they really were not applied as effectively as they could have been in South Africa. Yet look at what we are seeing happening, where apartheid is ending. She also said that no one can rejoice at the destruction of the human beings in the Middle East.

Another one pointed out that the real soldiers, not in a derogatory way in terms of our forces in the Middle East, were the members of that peace camp, including one Canadian doctor, who positioned themselves without weapons between the coalition forces and the Iraqi forces. Another one just said that it is very emotional, and appreciated what we were doing.

A woman from Sarnia said that we had no right to be there. She pointed out that she was 76 years old, so she has been through a couple of wars already. She said: "We did not accomplish anything in the last one. What is this one going to accomplish? It is just going to lead to yet another war at another point in time". Another interesting phrase that came out is that we can fight for peace. As a political movement, we can fight for peace.

There was great support for the suggestion by my colleague for a non-partisan coalition against the war. One was very angry—in fact two in terms of the calls—with what has been happening in Question Period, that members of the government are laughing at suggestions for peace.

They are also appalled at the media coverage. They did not identify the media, but we have all been watching. It seems to be that the language is a military language and the focus is on the military weapons. We have not seen any pictures of the dead in Iraq or in Kuwait. We have seen pictures of the damage in Israel and we regret that. We think it was insane for Hussein to attack Israel, unwarranted, unnecessary, unconnected with this war, and, God, I hope that Israel is able to keep its act together and not feel bound to retaliate because that will only escalate.

Again, as our speakers have pointed out time and time again, that was one of our fears about going to war in the Middle East. It has always been one of our fears that it will not be a nuclear war started between the U.S.S.R. and the United States; it will be an accident in the Middle East or a similar country.

I know that the time for my remarks is nearing an end. It has been impossible to put in 20 minutes all the thoughts that I have, plus all the comments and thoughts that have been passed on to me this evening. I just want to make two final points, particularly to those people who will be watching the reruns of these debates that when they call there may not be anyone answering the phones. We are going to try to staff the phones in the opposition lobby for the time, if we can predict, when the repeat will be on for the last three or four hours of the debate because we do want to hear from them. I would encourage people out there to call their local member of Parliament and let him or her know where they stand on Canada's involvement.

• (0710)

As I said at the beginning, I never thought, I never expected, I never planned to be in this House to be debating the fact that Canada was at war. As a Canadian who gets deeply emotional when the phrase "we stand on guard for thee" is sung as part of our national anthem, having seen what standing on guard for thee has done, I do not want any more heroes. I do not want any more heroes on the battlefield. I am quite happy to remember the heroes who fought for Canada in World War I, World War II and the Korean war. Please, let us end this war now; let us put our forces back to a peacekeeping role to do what they have done for Canada for years, and made us proud. Thank you, Madam Speaker, and thank you, ladies and gentlemen for watching this debate and letting us know how you feel.

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, I want to congratulate the hon. member for Thunder Bay—Atikokan for his excellent speech on a subject which, I agree is not easy. I would like to remind Canadian people, of one thing if I may. There is great concern today, and rightly so, about the risks the men and women of the

Canadian Armed Forces are presently facing in the Gulf. We too often forget the tens of thousands of policemen and women who risk there lives daily to enforce the law in Canada. It is sad, but when one of them gets killed it is not cause for a debate in this House. My point is, Madam Speaker, that the role Canada is playing is that of restoring peace. Peace has to be restored before we can maintain it.

One man has led his people without telling them a thing, and they are truly the first victims of what is happening out there. I am talking about the Iraqi people who blindly followed a man with no conscience.

The international law, the international government we call the United Nations, and all its member nations unanimously denounced the aggression on one of their own, and Kuwait called upon its sister nations within the UN to come and free it. Canada, with a 45-year tradition of peacekeeping and defending rights and freedoms, did not depart from the mission it always gave itself by accepting the risks and sacrifices required to bring about a new world order.

I do not like it, when the hon. member and his colleagues claim that we, on this side of the House, are people looking for violence and for war. Quite the contrary; never in the history of Canadian diplomacy was there so much effort to prevent a war.

Over the last 112 days, the Secretary of State for External Affairs, has had 50 bilateral meetings and at least another 50 multilateral meetings, while our Prime Minister was attending numerous meetings and having numerous phone conversations, to try to find a peaceful solution to the conflict before we got to this point.

Madam Speaker, Canada has been a leader in the world for the past 45 years. I think Canadian people can be proud of the work their country and their government have done. Of course the present situation, and I will close on that, is the doing of a man who did not recognize the law, the international law and that of the United Nations, which state that every nation on this earth has the right to live freely in its country and to call its neighbours and friends to its assistance after an invasion such as the one Kuwait sustained.

[*English*]

Mr. Angus: Madam Speaker, I thank the member opposite for his compliment at the beginning of his statement and question. I also thank him for his question.

It is no surprise that there are fundamental differences in this House in terms of how one achieves peace. The Government of Canada has chosen at this point in time to use military force as a means to attempt to achieve peace.

We have been consistently saying that the time was not there to do that, that sanctions take a while to work. The five-month arbitrary deadline was set at the request of the United States. The coalition forces in the gulf are not wearing the blue helmets of the United Nations, the tradition of any UN force. When the government likes to wrap itself in the UN flag, it is a see-through flag and what we are seeing is the American Stars and Stripes.

A lot has been said about this party in particular being anti-American. It is not true. We just got a call from a Will Williamson from Deforest, Wisconsin. He is a veteran of the Vietnam War, 100 per cent disabled. He is totally disillusioned by what his country has done. He has been watching all night. He phoned to congratulate us on our phone-in set-up. He says it is the single largest advance in democracy he has ever seen.

I also want to remind the House that my leader met with senior American members of the Democratic Party, members of Congress and Senate who oppose the war as much as we do. We are not anti-American. We are anti-Bush administration. We are anti-administration of the Conservative Party of Canada. We are pro-Canada. We are pro-peacekeeping in our traditional role of not beating up the bully but of isolating the bully, cutting off the resources that are needed for the bully to function.

I might add that right now we have a Middle East version of the Hatfields and the McCoys. We have two families fighting over turf, not caring about their people, fighting over lines drawn by Great Britain at the end of World War I. The boundaries have no reference to the people who live there.

• (0720)

People who have called me tonight have implored the Government of Canada to rethink what it is doing. The time is not too late. We can revert to our traditional role, not by bringing our men and women back home, but by using them to help the victims, the refugees, the injured, and the families left without parents and homes. That is the role for Canada. That is what we should have been doing all along.

At the same time we should be working through the UN to find a diplomatic solution so that the war and carnage can end before many more people are killed, regardless of race.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, government involves making decisions. It involves planning and it involves choices. I have chosen to be against this war in which my country, Canada, is involved.

One of the happiest moments of my life was on February 10, 1964, when I was elected for the first time as the member for the riding of Saint-Denis in Montreal.

One of the promises I was allowed to make by Mr. Pearson to my constituents was that even if we were a minority government we would have a distinctively Canadian flag before the next election. First there was a very vigorous debate in the House, but we got our flag.

[*English*]

We got our Canadian flag after a long debate, my first debate in 1964. That was the pride of my day. It has been the pride of my life ever since.

Yes, I come from Quebec. Yes, I am *Canadien français*. Yes, I am from Montreal. Yes, I said the same thing in French.

[*Translation*]

I see Canada's flag as an image, a dream, a symbol for a world in disarray that is seeking, somewhere on this planet, a relatively peaceful land, a generous land, with open-minded people who may have their minor prejudices, but nevertheless, a land where people can live in peace and understanding.

[*English*]

That is what Canada is all about. It is a hope for the world. What the world has always seen in Canada is the hope of a different place on earth or, as my Indian friend says in English, mother earth. Indians always talk about mother earth. Canada is that. Canada is looked on by the world as a compromise between all kinds of regions, emotions and people who could always provide, not a solution but proposals when there is trouble in the world.

The government of the day has chosen to join with the United States and with many other countries to teach Saddam Hussein a lesson once and for all. The leader of the government—and I will say it in English—is a personal friend of mine.

[*Translation*]

And I say in French without shame, that he is a personal friend. On Wednesday, October 11, when this Prime Minister, my friend, received His Majesty King Hussein Bin Talal of the Hashemite Kingdom of Jordan, he addressed him in the following terms, very politely of course: "We also celebrate here today the landmark first address to the Canadian Parliament of the leader of an Arab country. Your autobiography and the testimony of many respected world leaders record your dedication, sir, to the cause of peace in the Middle East. In fact, few, if any, have shown greater determination in this cause nor pursued it with greater resolve. As Prime Minister Thatcher has said so aptly of you, Your Majesty, your human qualities, above all your courage and clear-sightedness, have earned you both respect and admiration world-wide".

He said a few other things that might be a bit embarrassing, but the point is that the little king, as they call him, warned the world of the tragedy that is now taking place under our very eyes. The Middle East is far more complex than we think.

[*English*]

You could study it for 25 years, as I have done, and still feel humble because you have a lot more to learn. I said in my speech in October that when you go to the Middle East you know how you get in, but you do not know when you will get out and how you will get out. We are in.

It was was not the mission of Canada to be there that way. That country was representing a hope for humanity. It did not respect a big power. *La France* and Great Britain, I call them my in-laws. It is always pleasant for a

person like me and like my three colleagues from Quebec, members of the Conservative Party, friends, to say we would double colonialize, *la France* and Great Britain.

We are Americanized. We love it, but we are not American. That is what almost half of the world sees in us. Here is a country that was colonized by the French, taking the land away of course from the Indian and the Eskimo, and then colonized again by the British and looked at with envy by the United States. That is why we have our entry everywhere in the world.

The government has chosen. It is not our choice. I am not going to yell. It is 7.30 p.m. Saturday morning. Most of us have been here since ten o'clock Friday morning. As I said earlier, I never felt more full of energy having stayed during every minute of the debate. The outcome is so unbelievable that it gives me a kind of lasting energy to try to convince governments that it may not be too late. Do not look at us and say: "The Liberals seem to be divided". I hope the NDP will vote against this motion. The Gallup poll may be saying something today but a great Roman thinker said: "Reason must prevail over public opinion when it is volatile". I will remember, all my life, the time when the War Measures Act was in force, when 86 per cent of the people were endorsing us. As I said earlier, I voted for it. I still claim I was lied to. I did have the information so I had to do my duty. But I know one thing: 1970 is something that I remember, clearly. The government has chosen. Public opinion, volatile as it is, not having seen yet the massacre taking place, says it is right, Okay.

• (0730)

On this question, as I said earlier, I make it a moral issue not a Gallup or a poll issue. I remember also, in 1972, the same people who were supporting us at 86 per cent almost defeated us, less than 18 months after, so one does not go by polls, polls, and polls. I would like, at this time, to say that I, Marcel Prud'homme, feel—I hope that is a good expression in English—so much for our young Canadians who are, at the moment, right in the middle of accomplishing their duty because they signed, they are military. They are proud and they obey. The government of the day says: "You are going to do that" and they are doing it.

In this sense, I am positive we will not deprive them of all the essentials so that they come back to this country safely. That is one issue. But the true issue is: why did we not go on? Why did we not convince the United States to be patient in that region of the world? What was predictable is happening. This is Saturday morning at 7.30. Look at what is going on in Jordan. Look at the masses in Algeria, a country with a population of 30 million, 70 per cent of whom are young people. Look at what is going on in my dear Lebanon; there are demonstrations. Poor Lebanon that was just about to get back on its feet, after 16 years of abandonment by the west, the big power. In Jordan, a neighbour of Israel, there are demonstrations. The cabinet is meeting and the Parliament is meeting at this moment while I am talking. What will happen? Do we not know the Arab mind? Do we not have scholars who will tell us that over there they do not function as they do in Europe, they do not feel as they do in Europe. They have been pushed around, insulted and betrayed.

[*Translation*]

—They had every reason in the world to be suspicious. And this evening, all that seems to have come to a head throughout the Middle East.

Those who thought they could go to the Middle East, do a clean-up operation and get out quickly are mistaken. I am putting my reputation on the line. If I am wrong, I will get down on my knees and thank God. But I doubt it. I think I am going to be right. And I regret that. But couldn't we predict something that was so obvious?

I talked about our Canadian forces. Of course I also want to talk about Israel.

[*English*]

I am a member of the International Parliamentary Union. I spoke to Arafat personally: "Recognize the State of Israel and its right to live in peace", multiple times, while I had Canadian parliamentarians who forced us to vote, if we were going to listen to Arafat, not to be in agreement with him; just to listen to him. Arafat was at the United Nations in November 1974. He came and asked, begged: "Please don't let me down". We did not listen. Every leader in the Middle East asks for justice, peace and understanding.

When you do not produce results, you end up with tougher, more fanatical leaders: Hussein today, Khomeini yesterday, Assad from Syria tomorrow. Why is it that the west always ends up with the Marcos and the Duvaliers? I never understood, or I understand too well: interest, honour, favour, money. We always end up with the rotten.

Of course Saddam Hussein will lose. Of course, the alliance will win, but at what price? I am not a pacifist. He was cornered. He did not have any right to go into Kuwait. He had no right to make the people of Israel scared, hoping they would retaliate. He has no right. We all know that. We all agree. But he was cornered.

[*Translation*]

What is the matter with us politicians? Are we too proud to be wrong? Are heads of State too proud to admit they are not always right? What about history? Eisenhower, a great U.S President, warned that the greatest threat to U.S. peace was the United States defence establishment.—He could have substituted the West for United States— the arms manufacturers that are making a profit by corrupting developing countries.

Today, my dear colleague and Quebecer to the hilt, young Canadians and Quebecers may be killed with weapons manufactured in this country. Does that make sense? Can we accept that? When is the world going to wake up? When will we understand that all nations are seeking the same thing: dignity?

[*English*]

Should I spell it in English, dignity? As powerful as people think they are, they have no more right to dignity than

[*Translation*]

the humble of this earth, the people who have been tortured and humiliated, all that is unacceptable. And anyone who knows anything about human psychology, as you do, Madam Speaker, knows that someday things are going to explode. Perhaps not today, but surely tomorrow. So we are indeed in a pretty pickle. I can see hon. members who are about to say it is shocking that some of those Liberals and New Democrats are not only against war but against our soldiers over there. It would be monstrous to think we feel that way.

• (0740)

The government has made a decision as it is entitled to do. We do not agree with that decision. However, we believe that everything must be done to give these young Canadians and Quebecers—

[*English*]

Mr. Whittaker: Madam Speaker, given the fact that the speaker is the last speaker of the evening and the last speaker in the debate, and given his long time service to this country, could we extend his time to speak in appreciation of the people who are watching this debate and of the calls that I got on the hotline?

Madam Deputy Speaker: I would like to see what the point of order is, if the hon. gentleman would come to it.

Mr. Whittaker: Madam Speaker, I am asking for the unanimous consent of the House to extend the time of the member's speech.

Madam Deputy Speaker: I am sure members of the House were quite prepared to extend, for a reasonable time, the time allowed to the hon. member for Saint-Denis. I realize that what has prompted the hon. member to rise was that I did signal, as was my duty, in trying to make things easier for the hon. gentleman. I thank everyone for their co-operation.

[*Translation*]

The hon. member for Saint-Denis may wish to conclude his speech in a few minutes.

The hon. member for Saint-Denis has the floor, and I apologize for the interruption.

Mr. Prud'homme: Madam Speaker, you were doing your job, and I respect that fact as I respect this institution.

[*English*]

I will not abuse this but I can feel Canadian feeling quickly. I was in the lobby. To be frank, I will give you one. He is waiting for me to mention his name. It is Todd and he is from Regina. He is in agreement with the government and I have to be honest and say it.

People are watching us on satellite from Wisconsin and Saginaw, Michigan. Nine people phoned while I was in the lobby. I have listened. The NDP was too busy so I did. I was trying to catch the eye of some of my colleagues. I say to the members from Thunder Bay-Atikokan. I can read and I can listen. They are from Don Valley West, from British Columbia, a Rose Marie. Within a few minutes there were others from New

Westminster, British Columbia, John from Stoney Creek and another a Rose Marie. Suddenly people are having an interest in world affairs. They are saying: "Wait a minute, I did not know what was going on. Who made that decision? How was this decision made and why?"

The Prime Minister will come back on Monday and we will be here. What kind of diplomatic gesture is he going to offer? Right now you can be at war and be part of it. It will be more difficult but at the same time you can carry the Canadian flag again, the flag of pride, offer some solution. Are we totally finished here? Do we have nothing to offer to the world that is begging parliamentarians, statesmen, and church leaders? They are all saying: "Do something. It makes no sense".

I do not like to be partisan. Hon. members know that. I am not partisan, but I say: "Mr. Prime Minister, Mr. Secretary of State for External Affairs, work night and day."

It was unbelievable over Christmas when all the foreign ministers of the world were trying initiatives there. But, when one makes initiatives, one has to have a soul, a soul that understands others. There is no master servant on earth in foreign affairs.

[*Translation*]

If you treat people with contempt because they are Arabs well, Arabs are like Mr. Plourde or Marcel Prud'homme or Mrs. Champagne. They are human beings who want to be treated fairly and with respect. They expect that, and they always hoped that is what they would get from Canada.

I am sorry, but I think we failed miserably in this respect. I have a pile of notes here. I have been following this debate for days. I have been collecting facts for years, and when I get up to speak, I am afraid I get disconcerted from time to time.

[*English*]

I am not well-disciplined. Over the years I have accumulated what I would like. I have tried every angle to convince colleagues to take an interest and to make government understand. When I travel around the world, I talk about peace in the Middle East because it will blow up some day. But now that we are in it, there is still a possibility to recuperate our tradition as Canadians.

My last word, Madam Speaker, would be to thank you and my colleagues for your patience. It is a call to Canadians in both French and English.

[*Translation*]

Let me tell you what I saw last night and this morning, my Lebanese taxi driver—

[*English*]

This is not Canada. This is not my Canada. This is not my Toronto, my Ottawa, or my Montreal.

I hope Canadians who will have a difficult time discussing this issue will not start by being paranoid as soon as they see dark-skinned people, as if immigration officers.

Being from Iraq, Palestine, or any other part of that world does not mean you are not a loyal Canadian. There are laws in this country. People know how far they can go and how much they can do. If they do not behave as good Canadians or as good future Canadians, they know the law is there.

Let us not start insulting these people in a disgusting way, as some are now starting to do. It is too dangerous. Let us understand each other.

[*Translation*]

We must be very careful. Later on, I will get back to this new economic order, this new world order everyone is talking about. If the new world order exists, what are we waiting for? We could tell our new ally, who has always been a friend, the President of Turkey: "Now listen, there a new economic order and there is a new world order. Couldn't you get out of Cyprus?"

[*English*]

Why do they not get out of Cyprus? There is a new order now in the world. What are they doing occupying north Cyprus?

My colleague from Scarborough—Agincourt said that, well, of course, there is no oil there so that will become a preoccupation of the United Nations very late.

Suddenly, the United Nations is becoming so important that the United States government, which forgot to pay its dues to the United Nations for many years, now finds it important again. Can it give the $500 million it owes to the United Nations? Suddenly, the United Nations has become important again.

I rejoice, but I do not want anybody to use the United Nations for his or her own purposes. The United Nations is there to find solutions to world problems.

[*Translation*]

Madam Speaker, I don't know whether I managed to convince my colleagues, but I can assure you that Canadians who are listening are going to ask questions. The Quebecois and Quebecoises—and I am not discriminating but I happen to like the word,—are going to ask questions. I don't care about being popular. I don't care about the polls. When we come back in a month or two we will see what Canadians and Quebecers think about this debate, a debate that started far too late because it should have been held before or around August 2, not today. The deed is done, so we will try to do the best we can, but it won't be easy. You know as well as I do it will not be easy.

• (0750)

Mr. Marc Ferland (Portneuf): Madam Speaker, I would like to comment very briefly. First of all, I would like to say that I admire and envy the talent and experience of the hon. member for Saint-Denis, especially in the House, and the depth of emotion in his speeches. When I have spent as many years in the House as the hon. member—if my constituents are willing—I may be able to speak with some of that same eloquence and emotion. The hon. member made a number of points which I think are fundamental.

Not so long ago, I was able to go over there and see what it is like in an Arab State, to see the proud bearing of these people, their pride in what they are. However, what I felt was a certain fear that someday someone would want to take over, with total disregard for their sovereignty. Their system may not be perfect. I agree some political systems are not exactly the way we would like them to be, but there is something in the hon. member's speech that bothers me.

People say that the Americans do this and the Americans do that— All I can say is that I was really impressed when a few months ago, Mr. Gorbachev told Mr. Bush and the world: The cold war was over. The cold war between the two blocs is over and done with. Let us consider all the problems. Hon. member will agree that all the problems in the Middle East were due to the fact that to all intents and purposes, we had two enemies who were both trying to take advantage of the situation in that area and finally, what happened? The result is the shambles we have now. I think the hon. member will agree on that point. However, we had hope, at least I did. I may be naive, and I agree that I am a political novice. I may have been naive to hope that finally, now the cold war was over, all countries large and small, whether they were in the Soviet bloc or in the U.S. bloc—in any case those blocs no longer exist at least would finally without exception, be able to express their views.

In any case, I would appreciate it if the hon. member would answer this question. Would he agree that by attacking Kuwait, Mr. Hussein created an explosive situation and tried to destroy what the whole world was starting to build in an attempt to do something worth while in this area and to give these people, whom I also admire a great deal even if I do not know them as well as the member does dignity by giving them the means to develop their region?

Mr. Prud'homme: Madam Speaker, of course I said that Saddam Hussein's invasion of Kuwait was unacceptable. In French this is very strong: *inacceptable*. There are rules. We disagree on how to deal with a situation that is unacceptable. According to the statements by the Canadian Conference of Catholic Bishops, by all the religious communities, all the pacifists movements—and I urge them to keep up the good work and keep us all on our toes—there are other ways of doing what we are doing now. That is where we disagree. This is unacceptable. Yes, I say this with a great deal of emotion.

[*English*]

Yes, God dammit, I have emotion. I am talking about the planet, human relationships, human emotions and people who are going to die and are dying. Of course I am emotional, but I am cool.

[*Translation*]

I can see a few reporters who have been chasing me for quite while saying: "In a long emotional speech—". Well, let them, but I wish they would come and see me after my speech and realize that I am—rational I might get upset, but emotional, I don't mind a bit. In Quebec we are not a distinct but a different society. We think differently, and we act differently. We have different

emotions. We are good Canadians just the same, although we are different and we express ourselves in a different way.

This is my way, and I do not intend to change. It takes a lot of physical stamina but the debate is over.

[*English*]

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I would like to add my congratulations to the hon. member. He has been in this House for 27 years. He has sat on the external affairs committee and chaired it longer than I have probably been here. Tonight, he has demonstrated the reason this House has had such great confidence in him.

As a summary in the last speech in this House, he has done a tremendous job. He has given a very stern warning that we have enormous responsibilities for the people of Canada and, indeed, for the people of the world. He has been an articulate spokesperson for the Muslim communities of this world, especially the Palestinian community, for justice, recognition and dignity.

I must say how much I truly respect the contribution that he has made.

The second thing, as a great many people in here have said, is that there has been a failure on the part of this place. Indeed, I have changed my mind tonight. This has not been a failure. People who are here have gone through an agonizing process clarifying their own thinking on it. There have been some very constructive presentations.

Some of the women in this House have made some of the finest speeches that I have ever heard in the 12 years that I have been here. They have made the strongest appeals. I think when we leave here today that all of us will leave with a clearer notion of where we are going with this issue.

Unfortunately, it strikes me there is a division down the middle of this House. It cannot be reconciled. The government feels that it has taken the correct choice, that it is the necessary support for the United Nations. This side feels it is the most inappropriate thing that could have been done.

I think we as legislators do represent constituencies and millions of Canadians and that it is time to move it into the hands of the people. I think that, from our side, organizations across this country that have committees to stop this war are an absolute must. On the government side, they must plead their case to Canadians. God help them.

Mr. Prud'homme: Madam Speaker, as graciously as possible, I would like to thank the hon. member for his kindness. I would like to make just a slight correction.

Yes, I am a defender of the Palestinians. I will not talk about that, because you will be here for the next 10 hours. I will feel like a Palestinian until the day they, like me, have a passport. Then I will feel like another one who is suffering.

The hon. member mentioned Muslims and Palestinians. I also have great place in my heart for people of the Jewish faith. To me, what we should be working for is getting these three peoples together. Remember that 25 per cent of the Palestinians share our majority faith: Christian, Catholic. If we could only dream.

I said I had a dream. That will be my last dream. If we could only have the reality of putting the leaders of these three great faiths together, who have their Holy Land in places no bigger than 10 times the size of this Parliament. This miracle can take place, but you need people to push people. You need to have initiative.

• (0800)

I call on my colleague to push the government. That is all we can do.

[*Translation*]

It is physically exhausting, but we have the responsibility. We have had a long debate. We are at war, I agree. I don't challenge that any more, but we have to take steps immediately, and that is where hon. members with whom I have more in common have a great role to play. From now on, night and day, we must keep working, wake up the nation, keep moving, let ourselves be moved by the peace groups. I like these groups because they prick my conscience, they are like gadflies, and that is why I like them. Young people complain there is a lack of imagination in this Parliament. Women, the majority of women in Canada, say: "We don't want war but what can we do?" So it is up to you, my dear colleagues; you are the government!

[*English*]

The hon. member is part of the government. Push on the government, not only on the war effort. Saddam Hussein will be taken care of. But push other initiatives to stop that monstrosity taking place in front of our eyes.

Mr. Angus: Madam Speaker, it looks as if Thursday is finally drawing to a close.

I would like to take this opportunity on behalf of all members of the House to thank all employees of the House of Commons who have assisted us in this very lengthy debate: the translators, clerks and their associates, the console operators, the senior pages, broadcasting, security people, the Sergeant-at-Arms, bus drivers, *Hansard* staff, cafeteria staff and our own staff from each political party.

I also want to thank the members who stayed through the night and those who have come back in the wee hours of the morning, like you, Madam Speaker. We all appreciate that. It has been a very exciting debate. It is probably one of the finest hours this Parliament has seen in a long time.

May I also add my compliments to my good friend who was the final speaker for his excellent remarks. I think it is something we should all contemplate. Madam Speaker, thank you to all.

Mr. Cooper: Madam Speaker, I thank my hon. friend, the Whip of the New Democratic Party for bringing to the attention of the House our appreciation for all of those who serve this institution and allow us to go on at great length, as we have done in this case. I am sure no one at home would understand that this is still January 17. I am sure, if I told most of them, they would say:. "Yes, you are a member of Parliament; I would believe that". On behalf of the government members, I want to indicate that we too appreciate all the help we have received.

I want to compliment the House on the debate. It had tremendous emotion, tremendous tension, tremendous divergence of viewpoints. The House has risen to the occasion and members have participated in a debate that I hope a few of those Canadians across the country did tune in to and did enjoy.

[*Translation*]

Madam Deputy Speaker: Since there are no more members wishing to take the floor, pursuant to Order made Wednesday, January 16, 1991, the motion of Mrs. Collins is deemed to have been put and a recorded vote is deemed to have been requested and deferred until such time as to be determined by the three House Leaders.

[*English*]

It being 8.04 a.m., the House stands adjourned until Monday next at 1:00 p.m., pursuant to Standing Order 24(1).

The House adjourned at 8.04 a.m.

HOUSE OF COMMONS

Monday, January 21, 1991

The House met at 1 p.m.

Prayers

[*English*]

POINT OF ORDER

STANDING COMMITTEE ON EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have just a very short point of order, because we are anxious to get on to the private member's debate on an important issue.

Last week, the House was going to consider having television coverage of the special meeting of the external affairs standing committee with the Secretary of State for External Affairs. That committee is meeting this afternoon, I think, at 3.30. I am just seeking clarification, particularly from my friend, the Parliamentary Secretary to the Government House Leader, that it is still appropriate that television cameras cover that important committee meeting.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, as the hon. member from the NDP knows, there are some discussions going on. I have been waiting for one of my *confrères* to come in and give us a chance to have a quick discussion. I would be prepared to return to the House at that time, but I do want to have those discussions before proceeding with the motions.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(6), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

AGRICULTURE

ESTABLISHMENT OF CO-OPERATIVE EXTENSION SERVICE

Mr. Lyle Vanclief (Prince Edward—Hastings) moved:

> That, in the opinion of this House, the government should support the creation of a co-operative extension service, financed by Agriculture Canada, universities and provincial governments, for research and for the continuing education of farmers and extension personnel.

He said: Mr. Speaker, before I make some comments on this motion before the House in Private Members' Hour today, I would like to say, not that this is not an important subject, but I think there are other things that perhaps we could be discussing today. I want to point out to those who are watching the proceedings of the House today that this is part of the order of business of the House of Commons and so we will proceed with it.

It is a pleasure to rise to speak on the motion that I have before the House today. I will just read the motion again:

> That, in the opinion of the House, the government should support the creation of a co-operative extension service, financed by Agriculture Canada, universities and provincial governments, for research and for the continuing education of farmers and extension personnel.

I want to speak for a just few minutes on this and to plead with the government to recognize the importance of the agriculture and the agrifood business in Canada. Since the election of this Parliament a little over two years ago, the Mulroney government has seemed to be going full speed ahead on deboning agricultural programs and taking away from primary producers and the agrifood industry many of the management tools and many of the programs that have been available to them in the past.

I recognize that agriculture is a joint jurisdiction between the federal government and the provincial governments, but I want to point out to them—and hopefully they will listen and recognize to a greater extent than they have indicated so far—the importance of the agrifood industry in this country. It is a $43 billion dollar industry. It employs one out of every five Canadians and, unless we take greater steps to replace or to change the programs that we have had taken away from the industry in the recent past, we are not going to be what we have to be; that is, competitive. That is the name of the game, whether in the agrifood industry or whatever other industry or business we are in. We must be competitive.

• (1310)

It is a false economy, a false view, and a false thinking if we do not give more emphasis to research and development in all industries, not only agriculture, and to continuing education for those not only at the primary producer level, but, as the motion reads, for extension service personnel level who work with primary producers and with agrifood industry people, on through the system.

The agricultural industry in this country, in the last couple of years more than ever, has come under a tremendous amount of pressure. It is not only the pressure that has been created by the free trade agreement. I maintained throughout that debate that the agrifood industry was going to be hit the hardest and the earliest of all industries that were going to be affected by the free trade agreement.

We can see what is happening there. We can see the rationalization taking place in our food processing industry. The cost to this country is that it is not making us as competitive as we should be because of the change in the rules that the free trade agreement put in place against the wishes and the advice of many of us who have a pretty good knowledge of how that industry operates, can operate, and should operate. In spite of all those recommendations, those rules were put in place and now we are paying the fiddler for the tune that was called and dictated to them.

I will cite an example that is very close. It is in my own riding. Just 10 days ago, another food processor announced that it was going to cease the growing and processing of vegetables. That is going to affect the farm-gate return of 25 producers in my riding to the tune of $1.3 million per year. As well, it is going to eliminate over 150 seasonal jobs from the early part of February until the early part of November.

We cannot blame the people who are doing it. The bottom righthand corner in their balance sheet obviously dictates that they have to do that, but it is a rationalization. Now that the rules are changed, they are having to play with different rules, to deal with different tariff levels, et cetera.

This has been dictated by not only the free trade agreement, but other changes, as well. The rate of interest. The government will stand up and say: "The interest rate is not as high as it was a few years ago." I admit it is not as high as it was a few years ago, but the spread in the real interest rate between Canada and the United States is much higher than it was a few years ago.

In the last round of high interest rates, we were looking at around 2 per cent spread between Canada and the United States. Our businesses were far more competitive in that line than they are now. Now, as we all know, it is 4 or 5 per cent. It matters, yes, what the interest rate is, but what matters even more is the difference between Canada and the United States.

The high dollar. The dollar is being held up, and that puts it at an unreasonably high level. It makes the export capabilities of the whole agrifood industry much more difficult. We know what that is doing.

The other uncertainty that our industry is faced with at the present time is the uncertainty of the General Agreement on Tariffs and Trade, the GATT talks which to date have not been successful.

As I have stated many times, I have very grave concerns that because of the way the GATT situation is going, not enough will be done in the agrifood industry and in trade and agricultural commodities throughout the world to do the job. If we are not able to get a successful conclusion there, I will feel very sorry for many, if not all, of our primary producers in the agrifood industry. That will certainly filter all the way up. What we have to remember and what the government has to remember is that if we do not have a healthy primary producer level, we will not have the production for the rest of the agrifood industry to work from and to work with.

It is very easy to say, as some people say, yes it is cheaper to buy food some place else in the world at the

present time, and I agree. In the short run, it would be. But what we have to consider and what I plead with the government to consider is to put those programs in place, put the dollars in place, and put the assistance in place in co-operation to a greater extent with the provinces. This will enable us to provide in the long run the food requirements and a sound agricultural and agrifood industry for Canadians.

In the short run, with many things in our lives we might gain, but we have to think further down the road than the present government is apparently thinking.

Not only does the agrifood industry supply to Canadians a source of food, it also supplies to Canadians the safest source of food of any population in the world. The agrifood industry not only provides that food source but reaches a lot of other goals and purposes in Canada. I do not feel that the present government has recognized that and is recognizing that to the extent that it should. Not only as I say does it provide a source of food, it provides a source of quality food. How better can we provide to Canadians and guarantee to Canadians that we are going to have a safe source of food for our children and our grandchildren down the road than to have that food produced under our own eyes in Canada as much as possible? We cannot produce all the commodities we wish, we know that. We do not have the climate. But we have to produce that under our own eyes, with our own rules, in our own yard, in our own country. It has to take place.

That will not take place unless there is economic sustainability. We talk about sustainable agriculture, we talk about the sustainable environment and I agree 100 per cent with all of those. What we have to realize is that unless financially the bottom right-hand corner of the balance sheet of an individual operation, an agrifood operation, or a processing operation, whatever it is, is in the black it cannot happen, and it will not happen as much as we all may believe within our hearts that it should happen and it is the right thing to do. It has to make financial sense.

If that is the case, I think that the priority of the importance of the agrifood industry should be higher than it is and should be realized by Canadians. Not only does it provide a safe, sound source of quality food, it also provides and plays a role in the environment. Agriculture producers know better than anyone else, especially the primary producers, the role that they can play in the production of different crops, in soil conservation, water conservation, and wind erosion. That is another important role that we must realize the agrifood business plays.

It also plays a very major role in the balance of trade of this nation. It also plays a very major role in employment. One in five Canadians is employed in the agrifood industry. We do not need those people any place else. If we needed them some place else, I guess one could flippantly say: "Well, we'll take one out of those or we will take 20 per cent of them because we need them some place else in our economy. We do not need them." Heaven knows this government has created a situation and we have enough unemployment now.

There is another role that one might say is an intangible role that the agrifood industry plays and that is in the social fabric or fibre of this country. I had an opportunity this summer to take a couple of trips through the prairies. My 20-year old son was with me and he could not believe it. He said: "Dad, look what is happening to these towns". We have all seen the movies where they are boarding up the windows. And they were, Mr. Speaker. There are towns in western Canada where 4 four by eight sheets of plywood are put over 40 per cent, 50 per cent, or 60 per cent of the businesses in the town.

• (1320)

I do not really think the direction that we want to send the rural people in this country is to the bigger urban centres. Yes, the big urban centres can play a role, and do play a role, but I do not think that we need to chase people there any further.

They are being forced to go there in order to find another source of income so that they can continue to farm and in their view, and in the view of many of us, to provide Canadians with cheap food. I have nothing against cheap food, but we cannot produce cheap food on the backs of a big percentage of our population. It just cannot be done that way.

I am just warning Canadians and this government that if they continue along this line they are going to create a bad situation down the road. We have rightfully become

concerned about our environment for our children, grandchildren and great-grandchildren. We want them to have clean air and clean water.

What I am saying is we are going to have to put more programs in place in order to provide for our children, our grandchildren and our great-grandchildren. We must provide safe, quality, wholesome food that is produced here by a big sector of our economy.

We must remember that there are only four creators of wealth in the world, no matter what we look at, see, touch or use. Those four are fishing, mining, forestry and agriculture. This government is allowing many of these to falter.

We do not have to take time here to talk about the condition of our mining, lumbering and fishing. We know that they are in a deplorable economic situation. As well, it is creating social situations in Canada that are far from what we would like to have and have grown accustomed to. Agriculture is one of those.

As I have said, and many others have said, as goes agriculture, so goes the economy of any country. We could use as an example what has happened to Mr. Gorbachev. For a number of years he thought the war machine would fuel his economy. He has found out recently that the war machine does not fuel the economy because he has now has many millions of people who have empty stomachs, no food on the shelves and no place to get it.

What fuels a healthy, productive, efficient economy is full stomachs. Then people will be able to work and be able to produce for the good of all. We know that in the U.S.S.R. right now many people do not know how they are going to get through to the spring and through the next year. There is just not any food in the pantry, shelves or in the stomachs.

I want to remind the government of some of its own figures. The total receipts at the primary producer level for farm income in Canada is predicted in 1991 to be 4 per cent less than it was in 1990. That is 7 per cent less than it was in 1989. I remind this House, Canadians and the government that no industry can continue when the receipts are going down.

We all know what it costs to do business and what it costs to live on an individual or business basis. The expenses are going up. The receipts are going down in an industry that has never been all that healthy. We just cannot allow that to go on. If we allow that to go on in the short run, we are going to pay very dearly as Canadians in the long run.

There is a lot of stress and a lot of uncertainty in the agriculture community today because of some of the things that are happening, as I have said.

What I am encouraging the government to do is to work with some groups that are out there that are asking through the provincial governments and directly to the federal government for some financial assistance and, in some cases, the continuation of financial assistance.

The government has not assured these organizations that it will provide for yet another year, in order to put the extension personnel in the field to deal with the management and production stress that is there. In many farm families where the husband and wife are having to work off the farm, or at least one of them has to work off the farm, in a rural community it is not easy to get babysitters or whatever for child care.

I remind the government of a couple of programs that I would recommend it consider highly. There are two examples from Ontario. I feel that these examples throughout the country can serve a very useful purpose. One is the Advanced Agricultural Leadership Program that I am proud to say I was a part of getting established in Ontario a number of years ago. This program was one where farm, agrifood and extension people worked together on a two-year program in order to train people to meet the challenge for future leaders in dealing with provincial, national and international affairs, and to familiarize themselves of the needs of society and able to change rural Canada—and most of these are from Ontario—with a broad perspective. I recommend that the federal government do something through some department There have been applications to different ones and they have been turned down every time.

The other program is the Ontario Agricultural Training Institute. That is a program that is carried out by non-profit sectors. It is funded by 25 per cent of the individuals who participate in it and it is has helped put in place self-help training initiatives devoted to farmers and managing change. The major funding from this has been from employment and immigration. Unless it has happened in the last day or two, the federal government has refused, to this day, to approve funding for that program for another year.

I hope when my hon. colleagues reply today that they can give this House some good news in that they will announce that that funding is going to be put in place for next year because those are the types of co-operative programs that we need to continue.

In closing, I would like to remind the government of the importance and necessity of these types of programs so that we can strengthen our agrifood industry in this country so that we do not go behind at the rate we are going behind right now. I encourage and plead with the government to do so.

Mr. Ross Stevenson (Durham): Mr. Speaker, I am very pleased to have the opportunity to join in this debate.

As a former researcher who was heavily involved in extension and technology transfer, I know first-hand the importance of this issue to the agricultural industry. I am going to take a completely different approach in addressing this motion than the previous speaker has taken.

It is true that we are in a recession. It is true that it is having a significant effect on the agricultural industry. Apart from the approach taken by the previous speaker where he was wringing his hands about the future of the whole agricultural industry in Canada, certainly the future here looks as bright as in any country around the world.

He said that the government was de-boning agricultural policy and funding here in Canada. Any quick analysis of the expansion of funding since 1984 will clearly indicate that that simply is not true. With the recent announcements of the two new programs, GRIP and NISA, the government has committed itself to long-term programs in Canada which are certainly the most significant ever created in this country and are being very favourably received in the agricultural community.

When we look around the agricultural industry and the effects that current rationalization is having in that industry, it does cause some immediate concern.

• (1330)

When we look at what is happening on a world-wide scale, we see the world moving rapidly to freer trade everywhere, and very clearly consumers want that. The Canadian industry cannot survive with inefficient plants.

Instead of listening to and reading the negative headlines in the media and the newspapers every day, if we look at the business plans of Canadian industry in agriculture, particularly in agrifood processing, we will find that the number of new investments, expansions, and new plants in the food processing area in Canada are increasing very significantly. At last count, from January 1, 1989 to November 30, 1990 there were 30 new investments, 17 mergers, 39 plant closures, 50 new plants created, and 54 plant expansions. Every time there is a closure there are big headlines. Any time there is a new investment we have to look on page 43 of the business section to find it. Very clearly, the trend is to a much stronger and expanded food processing sector in Canada.

Everyone who happened to watch *Venture* on CBC a week ago Sunday night will have heard a number of food processing executives talking about the rationalization of Canada and the very positive future that particular industry has here.

Looking into the future and not wringing our hands about the immediate situation, although I do not want to minimize that because it is quite important and the agricultural sector needs help to get past it, how do we position farmers and the whole agricultural sector, which is so important to our economy? How do we position that to take advantage of the opportunities that will clearly exist in the next few years?

The government set up as part of the agrifood policy review last year the farm finance and management task force. All facets of the agrifood industry, including producers, worked with both levels of government to determine a long-term path to an economically stable farm community. The importance of improving farm profitability and performance through improved management research and extension efforts was central to the focus of that task force.

In its June report to the federal and provincial ministers of agriculture, the task force recommended the development of a national program in farm management training services and information. This would involve industry, both levels of government, and post-secondary schools of all types.

At their August meeting in Moncton, the ministers accepted the recommendation for the development of a national program. Going one step further, they set up a government/industry working group to draft proposals

for implementing such a program. A final report is expected at the end of April.

In an increasingly competitive global market, it is important that farmers have access to the up-to-date technology information they need to manage their farms effectively. The task force pointed out that governments alone were not capable of ensuring a complete flow of information to producers. That is why it is strongly suggested co-operation between members involved in the whole food chain, to make this whole approach quite efficient, wide-ranging, and to get all the information services out there to all parts of the agrifood industry.

The task force suggested the establishment of a long-term program for farm management. Federal and provincial governments and industry would co-operate and co-ordinate the program on a national basis so it could be delivered regionally to ensure individual needs are met. Regional delivery is quite important because of the various crops, climates, soil types, and so on across this country.

Specifically the task force proposed that the farm management program offer three levels of service to producers, the first being training and development services. This would include the development of modular training packages, curriculum, and so on. The second is to offer management services, which of course are very important to producers. Third, the program would offer information services and improvement over what is already offered among the extension services in existence already in Canada, which by the way are quite good.

This is a wide-ranging program involving both levels of government, colleges, universities, farm organizations, private sector lenders, and consultants all working together to co-operate and finance this organization.

We believe that changes in existing structures will handle the challenges in the future, that we do not need a completely new extension service. We just need to adapt the old one, which has developed as the needs of Canada have affected its development. We need just a bit more fine tuning and co-operation so that we can get the information out to our industry and position it very favourably to meet the challenges of the future.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I am pleased to be able to participate in this debate today, although, like the mover of the motion, the member for Prince Edward—Hastings said, it is perhaps unusual for us to be debating a motion like this in times of national crisis. It is true also that life continues and other issues are still there for us to deal with.

Certainly one of those issues is the crisis which faces rural Canada today, in particular the agricultural community. It would be a mistake to let that focus be forgotten. Therefore, I am happy that this private member's motion is before us today.

There is no question that we are at a turning point when it comes to the future of agriculture and rural communities in our country. The process of centralization, the process of decline, has gone on for long enough. It has become incremental, in that it is operating at an accelerating pace. The percentage of farmers leaving is rapidly increasing. The percentage of farmers in trouble and that impact on the rural community is increasing at an incremental rate.

Therefore it becomes more and more urgent that action be taken. We can no longer feel that we have the time to deal with this matters on a gradual basis or on a long-term basis. Many of these issues need to be addressed now.

Certainly I accept the fact, as the member pointed out, that we are dealing with a primary industry in this country which employs 20 per cent of Canadians. One in five is dependent on the agricultural industry. We are dealing with food, the most basic of human needs which the world cannot do without. We also have to consider that one-third of Canadians, in spite of what has happened to rural Canada, still lives in rural Canada. Their future, the future of their children, and the future of their community depend very much on the direction in which we head.

• (1340)

The pressures we are under are quite self-evident. We have pressures that flow from the free trade deal. It opens up our way of handling our agricultural industry and our processing industry to harmonization with the approach of Americans. The American market is much larger. There are much larger economies of scale. I think there is much less emphasis on farm based institutions

and much less emphasis on support for the family farm. This is placing our agricultural industry, our farmers, under increasing pressure as this process becomes more advanced.

There is the whole international situation which was clearly focused in the GATT where there are real international differences on how we should approach this matter. On the one hand, the Europeans feel, because of their history and their geography and the fact that they starved during the war and because they have a very small area and do not want their cities any more crowded, that it is worth their while to keep as many farmers on the land as possible. They are prepared to pay the price to do so.

On the other hand, the United States feels, with its treasury and with its huge economies of scale, that it can blast anybody it wants to out of the market and is prepared to do so, using public moneys. Often forgotten is the fact that throughout the Third World the majority of people are still engaged in agriculture. While this whole trade war is affecting us in many dire ways, it is even more devastating to the farmers in the Third World who already live very marginal lives and have very marginal enterprises. They are being devastated by the whole situation.

A third pressure comes from the evolving awareness of what we are doing to our environment and the whole movement toward sustainable agriculture. This is going to force upon the farm community, if the farm community does not itself willingly adopt some of these perspectives, a whole new way of looking at agriculture, a whole new way of managing its affairs, with things like what kind of chemicals we use, how we handle our livestock, pesticides, herbicides, and so on. These matters will all be affected very much by the way this environmental debate unfolds in this country. It is going to create another whole set of factors to which the farm community will have to adapt in the years to come. If the rural community is not itself actively engaged in this debate, that debate is going to be forced upon it.

We have the centralizing forces, which are perhaps part of the larger scheme of things and very much either a conscious or a subconscious part of government policy. I think this is outlined very well in the recent book by the hon. member for Edmonton Southeast wherein he outlines very convincingly that both Liberal and Conservative governments in this country over the last 20 to 25 years have poured immense resources and developmental energies into the urban centres, very much to the neglect of the outlying regions or outer Canada, as he describes it. Inner Canada has had all the attention, all the resources, and all the investment, while outer Canada where one-third of Canadians live has been very much on the short end of the stick. Historical trends have been exacerbated even more by deliberate policy decisions of government through the years.

This has certainly led us to our current crisis. As the member for Prince Edward—Hastings said in his remarks, national cash income is expected to fall 4 per cent in Canada. It is 9 per cent in Saskatchewan this year. This means a 37 per cent drop in net income in Canada and a 60 per cent drop in net income in Saskatchewan. If we look at Saskatchewan's net income, there was already only a $5,000 a year income from farming sources for Saskatchewan farm families. If we take away 60 per cent of $5,000, we are left with a $2,000 income per farm family from farming operations. Surely that is a total disaster. It needs to be dealt with, not at some time in the future, not even as soon as our new safety net programs are expected to kick in, but on a very immediate basis.

It is also incumbent on us to present some alternatives.

That is why I am happy the proposal has been made. I was at Michigan State University, which is a land grant university in the United States, where the whole concept of co-operative education was pioneered. There it is understood that the partnership is among industry, the state, the local levels of government and the university. The universities essentially run the program.

I was very intrigued by that, because in Canada it is quite different. Here it is government which runs extension services. Originally, when I observed it, I felt that it was perhaps more appropriate to keep it running out of government agencies. Since then, I have noted a few things. One is the politicization of agriculture services in my home province of Saskatchewan by the Devine government where his support very much depends on his rural base. He uses the agriculture extension services to underpin that base.

Second, the massive need for change which has come upon the farm community over the last 10 years tells me

it is very important that we develop the kind of co-operative model which the member is talking about.

I support the proposal. As well, I support a movement toward safety net programs which are geared to the cost of production formulas. These should be the centrepiece of farm support programs.

We also have to deal with the question of farm debt. We cannot leave that to the free market. We need to deal with farm debt on an urgent basis. The way we are doing it now is leaving this generation, future generations and in fact past generations of farmers sinking under the weight of their debt load.

We need to deal with the infrastructure and rural development on a wider basis. We have to support farmer institutions which have allowed Canada to develop a unique role in agriculture that supports family farmers and their institutions like the Wheat Board, the wheat pools and marketing boards.

In closing, I might also refer to the platform of another party that only has one member in this House and therefore little opportunity to put views on the record. The Reform Party of Canada, by contrast, calls for a shift from government domination to an industry shaped by market forces. It pushes for an extension of free trade agreements with the United States to include common internal export subsidy arrangements.

It calls for the removal of the Crow rate through a one-time non-taxable bridge payment. It calls for the anti-eastern feed freight assistance and a re-orientation of the Farm Credit Corporation on a commercial basis, for future privatization and for the reduction of farm marketing boards as a cost-saving measure.

I am pleased to be able to put my views on the record to support the proposal of the hon. member. Rural Canada has been in retreat long enough. It is time to move forward. I would urge all members of Parliament to look for every way they can to assist the farm community in facing the challenges of the future.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am very pleased to address this motion that has been put forward by the hon. member opposite from Prince Edward—Hastings. The motion states:

> That, in the opinion of this House, the government should support the creation of a co-operative extension service, financed by Agriculture Canada, universities and provincial governments, for research and for the continuing education of farmers and extension personnel.

This certainly sounds all very correct, something that everyone should be supporting.

I would like to put on the record some of the things that are taking place. There can be no doubt as to the need for continuing research and education in our rapidly changing world. Farmers are not immune to changes, and their information needs continue to grow as well. The critical step is the efficient delivery of information to those who need it, and in a manner which can be readily put to use.

The motion before us today appears to imply that we need to completely overhaul an already existing structure, the authority for which lies within provincial jurisdiction. Before we jump into this unknown area, perhaps we should review our current situation.

If the member is implying that we should duplicate the system in place in the United States, there are several factors that need to be clarified. As hon. members may know, the U.S. system is a joint federal-state-university service.

• (1350)

First, what will be the cost? No doubt it would be rather substantial, particularly during the transition period to a new system.

Second, what would be the impact on Canadians who are currently involved in research and extension service delivery?

Third, is such a system relevant to today's reality? While it has been successful in the past, many of the more educated American farmers are questioning whether such a system best serves their needs.

This government favours an alternate approach that would encourage a more co-operative, responsible and effective extensive service which builds upon the institutional structures already in place across Canada.

As hon. members know, under our federal system, responsibility and authority for various aspects of Canadian agriculture are shared between the federal and provincial levels of government. This sharing of responsibility and authority is based not just on the Constitution Act but also on historical and traditional practices that have evolved over time.

Today, the federal government carries the principal responsibility for agrifood related research. Some provinces also support active research programs which have helped broaden our knowledge base. In my own riding, at the research station at Agassiz, which has been there for over 100 years, there is co-operation between industry and the research station. The industries put several thousands of dollars every year into the agriculture base so that research can take place next door to where the industry is operating. That is mainly concerning some of the supply managed commodities. This also applies to the horticulture areas. They are experimenting with various crops that can be grown in the Fraser Valley. These things are ongoing and in place at present.

In recent years, there has been a move toward greater private sector involvement in agriculture food research. The result has been an increase in federal-provincial-private sector co-operation and in research activities. This is ongoing and I applaud it.

The provincial governments have the primary responsibility for extension services but the federal government has been involved in a limited and measured way. Examples of this involvement include federal-provincial development agreements, direct technology transfers through Agriculture Canada's research branch and the Prairie Farm Rehabilitation Administration—which was better known when I grew up as the PFRA—and farm finance and management services through the Farm Credit Corporation and farm management specialists and agricultural economists.

Universities and colleges in Canada undertake a variety of agricultural research and extension activities. The level of effort varies substantially across institutions and provinces depending most often on the importance of agriculture to the regional and local economy.

This is one of the fundamental strengths of the current separation of responsibility as exists in Canada. While a national program may, at first glance, seem like the best way to go, more often than not, it is the local and regional interests that are in the best position to determine local needs.

Recognizing this regional diversity and growing importance of a more self-reliant, market responsive and environmentally sustainable agrifood industry in Canada, the Minister of Agriculture launched a comprehensive review of Canada's agrifood policy in December of 1989.

Since that time, 11 task forces and committees have been examining a range of agrifood issues and have provided advice on possible future actions. The minister and his provincial colleagues have met to discuss these recommendations on two occasions, and a third meeting is anticipated soon.

One of the 11 committees has been examining research and technology transfer issues. In fact, in conjunction with the Canadian Agriculture Research Council, a national conference on research and technology transfer priorities will be held in June of this year. Stakeholders from across the whole spectrum of the agrifood sector will be involved.

To highlight the co-operation that is being reinforced by the policy review, the provinces have agreed that Agriculture Canada will focus on the delivery of technology and information to provincial specialists who, in turn, will pass it along to producers.

Agriculture Canada, through the recently established Industry Relations Office, is also working closing with the private sector on the commercialization of technologies developed by the department. The task force on competitiveness confirmed the importance of effective technology transfer for a healthy and competitive agri-food industry. At their meeting in Winnipeg last November, agriculture ministers agreed to participate in the creation of an industry-led agrifood competitiveness council that will serve as a catalyst in turning task force recommendations into action.

Another task force has looked at farm finance and farm management issues. This past August in Moncton, federal and provincial agriculture ministers accepted the four recommendations of the task force. Those recommendations include the need to develop a national farm policy; to establish a clearly defined role for the Farm Credit Corporation; to extend the mandate of the farm debt review boards; and to establish a national program for farm management training services and information.

Now that the task force reports are in, the next few months will be dedicated to putting concrete measures into place that will meet the policy needs of Canadian farmers.

So you see, Mr. Speaker, the government is well aware of the need to provide effective extension services to Canadian farmers, whether it be in the research technology transfer or farm management training.

As has been the practice of this government since 1984, we are moving forward by consulting with our provincial colleagues, industry and producers.

The intended results of our efforts is not to substantially change the existing institutions or to build new ones simply to provide an illusion of action. The intended result is a more co-operative, responsive and effective extension service for Canadian farmers.

In closing, I would like to say that the various programs that I see first hand at the Agassiz Research Station and the field days that they conduct and the involvement of the farm community is just another example of the co-operation that goes on between the industry and the research stations in agriculture in Canada.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am glad to have an opportunity, if only for a couple of moments, to speak to the motion of the hon. member for Prince Edward—Hastings this afternoon because it deals with the whole range of government support programs, extension, research and so on.

I had the opportunity in 1987 or 1988 to visit most of the research facilities across Canada and to see how important they are to Canadian farm producers and in many cases how the co-operation between the federal and provincial governments provides these services, especially in Kentville, Nova Scotia, Lethbridge, Alberta and many other places across the country.

In the couple of moments that we have available to us, I would like to point out how devastating the figures are which the government released just last week. They show that in 1991 net farm income will be reduced by some 54.5 per cent from 1990, and 1990 was not a particularly good year in itself. Obviously, net farm income was twice as high as it will be in 1991.

Much of this reduction in net farm income—we hear that the Manitoba farm income will plummet by 51 per cent and other provinces likewise is due to the government's incessant reduction in government support programs since the 1988 general election. From 1988 to 1989 the reduction was over $100 million; in 1989 to 1990 some $1.3 billion; and in 1991 it is projected to be reduced another $400 million. We face a dramatic and plummeting reduction in government support programs which likewise is reducing net farm income, as I said, in 1991 by some 54 per cent, from $4.3 billion to $1.9 billion.

This motion deals with the matter of research and development. In the government's support programs for agriculture research in 1986 to 1990 in constant dollars there is a reduction of some $4 million in operating budgets. Capital budgets have been slashed by $15 million, transfer payments by some $500 million, and the total reduction is almost $20 million.

• (1400)

Thus, in the budget of 1989, the government really started to lower the boom on Canadian agriculture producers and has been doing so ever since. This is a time when world grain prices are the lowest in history. The demand and marketing is at the lowest in history. It is simply unconscionable.

Mr. Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PERSIAN GULF CRISIS

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, last Friday night during the debate on the war against Iraq, over 200 people phoned the opposition lobby to talk to members of Parliament involved in that debate.

Only three of these callers supported the government position of using Canadian fighter aircraft against Iraq. The other 200 callers completely and vigorously opposed the government's position in this war. Many of the callers said they could not sleep. In fact, they had not been able to sleep since the war began.

I would like to place some of the comments on the record and share them with you. One of the callers said: "This war is a tremendous error." Another said: "It is totally reckless." Another caller said: "Bring our forces back. They have no business in that war." Another caller

said: "We are ashamed of our government in terms of what it has done."

One of the most poignant calls was from Will Williams, a 100 per cent disabled Vietnam veteran from DeForest, Wisconsin. He was sickened by what George Bush has done and by the Congress for supporting him. He urged us to continue fighting against this war, a war created by George Bush.

Other colleagues will place more of these comments on the record today.

Some hon. members: Hear, hear.

* * *

BALTIC STATES

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, while the world's concern has been focused on the war in the gulf, attention has been diverted from the tragic events in the Baltic states. The recent attacks by the Soviet army on the people of the Baltic republics of Lithuania and Latvia are clearly as unacceptable as the aggressive acts of Saddam Hussein.

The unfolding of events in the Baltics and the gulf are frighteningly similar to those in 1956, when the Soviet army invaded Hungary while the world was occupied with the Suez crisis. With that in mind, the Soviet Union must immediately take concrete steps to ensure that aggression such as we have seen in Lithuania last week and Latvia on the weekend is not repeated.

Canada must condemn the actions of the Soviet army by petitioning the United Nations to address these obvious violations of basic human rights and to support the right to self-determination. Canada should also seriously reconsider its aid to the Soviet Union in light of recent events.

It is tragically ironic that, as a signatory of the UN resolutions condemning Iraq, the Soviet Union must now seek to repair its own violations of the UN charter.

* * *

NATIVE PROGRAMS FUNDING

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, once again the government has violated international law in its treatment of Canada's aboriginal people.

The Canadian Centre of International Pen, in co-operation with the Faculty of Law at the University of Toronto, undertook a study of Canada's obligations to native people under international law in response to the 1990-1991 federal budget cuts to native communication programs.

The government's treatment of aboriginal people will now be discussed by the United Nations Commission on Human Rights in Geneva.

I commend the Pen organization and the University of Toronto for their initiative and their interest. As the PEN president, John Ralston Saul, stated this morning: "This budget cut isn't a large one, just a small surgically-precise incision, enough to cut out the voice box of the native people."

The federal government wants to deny native people the very fundamental right of the freedom of speech.

* * *

[*Translation*]

AMNESTY INTERNATIONAL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, last Friday I read for the first time Amnesty International's detailed report of human rights violations committed in Kuwait before the war.

Amnesty International asked the Iraqi government, after it had released several hundred western nationals, to end the imprisonment, torture and killings of several thousand people in Kuwait. We were shocked and horrified by the torture methods used by the Iraqi forces.

The team of investigators listed the names of about 1,000 people who had been arrested but believes the exact number is much higher. Thousands of people, including 13 year olds, are still being held in Iraqi and Kuwaiti prisons, detention centres and private homes. Others were killed shortly after their arrest at police stations or at their homes, or were gunned down.

Mr. Speaker, we all join Amnesty International in asking for a stop to the torture and killing in Kuwait by the Iraqis.

S. O. 31

[*English*]

PERSIAN GULF CRISIS

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, in his comments on the Persian Gulf war, the Prime Minister has enjoyed quoting past Prime Ministers in similar situations. I would like to take this opportunity to quote some of the comments of average Canadians who called the House of Commons during the all-night debate early Saturday morning, January 19, 1991.

A Burnaby caller asked: "How do we change our role from peacekeepers to war-makers?"

A Newfoundland caller stated that "innocent women, children, and old people in Kuwait and Iraq did not cause this war, yet they are going to get hurt and killed".

Another caller told us that "people think this is one big Nintendo game. These are live players. It is not an artificial thing that gets eradicated. It is live flesh and blood."

From New Brunswick came: "Please continue to oppose this resolution. No one with 14 per cent public support has the mandate to take a country to war."

A Toronto caller said: "I came to Canada because I thought it was a safe haven. The actions of this government have destroyed that."

Another caller told us: "It is never too late to make a change to Canada's policy and turn Canada into a peacekeeper."

The Prime Minister should be more concerned with the opinions of ordinary Canadians, rather than quoting past politicians.

* * *

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I rise today to talk about the total failure of federal fisheries policies in southwest Nova Scotia.

The minister has made much of the Hâché task force as a basis of his groundfish management program. But I attended those meetings and hearings and none of the inshore fishermen I met there backed the department's new ideas. In fact, there has been a lack of agreement.

We now have the individual transferable quota system which gives experienced fishermen ridiculously low quotas. Some fishermen are so angry at the new system that they are taking the Department of Fisheries and Oceans to court to solve it.

Because of the enterprise allocation to the offshore, National Sea Products is now renting these inshore boats to fish quota that used to go to these inshore communities.

Since December 18, 1990, I have been asking the Minister of Fisheries and Oceans for a meeting to discuss the situation, with no reply. I call on the minister to meet with me and, if not me, at least local fishermen to seek a reasonable solution quickly before things get out of hand.

* * *

PERSIAN GULF CRISIS

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, on August 2 the world watched with dismay as Iraq declared war and invaded Kuwait. The United Nations was quick to state its opposition to dictator Saddam Hussein's aggression. Canada actively participated in UN sanctions against Iraq. While months went by, many diplomatic solutions were sought. Saddam Hussein continued to say no to all peace initiatives.

On January 15, the allied forces, some 30 nations strong, moved to free Kuwait.

I call on all political parties to support Canada and the United Nations war effort, and on all Canadians to unite in our support of the men and women in the Canadian Armed Forces. We pray for their safety.

The nations of the world must find a lasting peace in the Middle East and throughout the world.

* * *

PERSIAN GULF CRISIS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, hundreds of Canadians phoned the House of Commons opposition lobby early Saturday morning to let NDP MPs know how they feel about Canada's participation in the gulf war. Here are some of their comments.

A World War II veteran sarcastically complimented the Prime Minister for getting us into this mess. Another, a veteran of both World War II and the Korean War and a member of my father's regiment—the Queen's

Own Cameron Highlanders of Winnipeg—said that the only common sense being heard in the House of Commons is from those who oppose the war.

A current member of the Canadian forces called to say that Canada's forces are ill-equipped to do what they are attempting to do, but that Canada is perfectly equipped for a peacekeeping role.

• (1410)

A woman from Nanaimo pointed out that she had lived in Britain through World War II and is against this war. "We should not bomb other people," she said.

Finally, a comment that sums up the feelings of many who called: "Please continue to oppose the resolution. No one with 14 per cent public support has the mandate to take the country to war."

At least one party is prepared to listen to the voices of reason from one end of this country to the other. I am proud to be a New Democrat.

Some hon. members: Hear, hear.

* * *

CANADIAN ARMED FORCES

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, Iraq has not only rejected outright countless peace initiatives, but used the pause for peace to consolidate its grip over a sovereign nation taken by force and held under terror.

It is evident to all the world that the aggressor has no interest in discussion, negotiation or diplomacy. History has shown that appeasement does not work. Regrettably the world community had no alternative but to take the steps necessary to preserve world order and to safeguard the effectiveness and indeed the very future of the United Nations. Peace has a price. Canada now, as in the past, is prepared to meet that price.

I pay tribute to the men and women of the Canadian Armed Forces on duty in the gulf. They serve Canada in furtherance of UN resolution 678, not in a world as we would wish it to be, but in the real world. They are facing the grim reality of war and doing so with honour and courage. These brave Canadians are defending the values and interests of Canada.

Our thoughts and prayers are with them and their families. They have our respect and gratitude.

Some hon. members: Hear, hear.

* * *

CANADIAN ARMED FORCES

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, regardless of our views on the decision to engage our forces in battle, we must unite as Canadians in support of the men and women of our Armed Forces. They are bravely putting their lives at risk in the hope that this conflict will be resolved quickly and peace restored.

Nobody wants to see Canadian forces engaged in battle. We would have preferred a peaceful solution to this conflict. However, we are now in a state of war and we must be careful to ensure that the actions we take and the speeches that we make in the House do not in any way adversely affect the morale of our Armed Forces.

War is always a time of pain, trauma, and hardship. It is also a time for our country to pull together. In speaking with my constituents on this matter, I recognize that there exists some diverse views as to what our role in the Persian Gulf should be. But most would agree that our thoughts, prayers, and support must go out to the men and women of our Armed Forces.

Let us hope that their efforts are accomplished with a minimal loss of life and that they are soon on their way back home.

* * *

PERSIAN GULF CRISIS

Mr. Doug Fee (Red Deer): Mr. Speaker, no Canadian seeks war, but we have a responsibility to protect the peace. The United Nations was founded to protect the world from unprovoked aggression. Canadians are willing to accept their responsibility to uphold the principles and mandate of the United Nations.

The son of the late Prime Minister Pearson, Geoffrey Pearson, was quoted this weekend as having said: "My father was no pacifist. His policy was based above all on the United Nations' importance as a peacekeeper. But

once war broke out, he felt that UN member countries should use military intervention to oppose the aggressor."

He went on to say: "So, aside from a few slight differences, I think Mr. Clark is following Canada's diplomatic tradition."

Our nation is not a nation of pacifists. We are a nation of peacemakers. Today our forces are helping to establish peace in the Persian Gulf. Canadians did not want this war, but we are willing to accept our responsibility to uphold the principles and mandate of the United Nations.

* * *

SADDAM HUSSEIN

Mr. Bob Hicks (Scarborough East): Mr. Speaker, I think it is incumbent upon all of us to raise the morale any way possible for our troops in the multinational force.

It has long been a tradition to paint names and messages on the fronts of missiles to be launched, but I would like to suggest that our multinational forces no longer print Saddam on any missiles. No, Mr. Speaker, I would rather have them print Saddam in reverse, because Saddam spelled backwards is M–A–D–D A–S.

* * *

PERSIAN GULF CRISIS

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, despite intensive diplomatic effort prior to January 15, war has broken out and Canadians are trying to come to grips with it.

Violence is not an effective means of resolving disputes and we all wish it had not come to this.

We know it is difficult to imagine an end to this war but it will end one day and the issue will not be who wins or who loses, because, clearly, we all lose in situations like this. One of my constituents said: "Our world, poised on the brink of environmental collapse, crying out for the most basic reforms to bring some justice, food, and hope to the Third World, just cannot afford this waste of resources and lives."

Once this crisis is over, Canada and the United Nations will face a very important challenge and that is to find a long–lasting solution to the problems in the Middle East. To this end, it is my hope that the day will come when words like "war", "violence", and "destruction" will be removed from the dictionary of humanity and replaced by "dialogue", "diplomacy", and "peace".

* * *

PERSIAN GULF CRISIS

Mr. Ken Hughes (Macleod): Mr. Speaker, war is one of the least acceptable human behaviours but even less acceptable is not standing up for your beliefs when all possible diplomatic alternatives have been attempted and rejected.

On Friday, some 200 students gathered at the University of Calgary to express their support for the United Nations forces, including the Canadian Armed Forces, seeking lasting peace in the Persian Gulf region. In a statement that speaks for many in southern Alberta, a home–made sign was hung over Memorial Drive in Calgary. It said simply, and I quote: "Canadians with life experience support you, Brian. The peace we enjoy costs something".

ORAL QUESTION PERIOD

[*Translation*]

PERSIAN GULF CRISIS

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we would like the Prime Minister to inform the House about the international situation.

This weekend, the press reported a statement by the Prime Minister that the conflict in the Persian Gulf would be a long and difficult war. I therefore want to ask him, since he expects a long and difficult war, whether he still stands by his commitment never to send land based troops to the Persian Gulf, as he said last week.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, from the outset, the government has always believed that this was a war that might last for an extended period.

We never thought this was a conflict that could be settled on a weekend. That being said, I think the government remains very confident with respect to the war being done by our armed forces and the forces of our

allies which will deal with the problem definitively on the battle field.

As far as our commitment is concerned, this is something I mentioned before, which was also mentioned by the Secretary of State for External Affairs, and it is an integral part of our Canadian policy.

* * *

[*English*]

BALTIC STATES

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister on another very serious international situation. As the Prime Minister knows, this past weekend, Soviet troops attacked the Latvian Department of the Interior, and at least five people were killed, some of whom were civilians and some of whom were press people. This crackdown came just one week after Soviet troops moved into Lithuania, killing 14 people. Will the government call in the ambassador of the U.S.S.R. and express to him the outrage of the people of Canada at this use of force?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, we have already called in the Soviet ambassador again today to make precisely that point, that Canada strongly condemns the brutal and unwarranted military force used against the people in the democratically-elected government of Latvia. I will have the opportunity later today to meet in my parliamentary capacity with Vice-President Ivans of Latvia who is coming to Ottawa to communicate directly the concerns and preoccupations of his people and his government.

• (1420)

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, after the crackdown in Lithuania last week, the Prime Minister issued a press release in which he said: "Further escalation will have serious consequences for Canada-U.S.S.R. relations."

I would like to ask the Prime Minister: Given that we have seen "further escalation", what will the government do to pressure the Soviet Union into abandoning the use of deadly force in dealing with the people of the Baltic republics?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, we are looking at action in three broad areas.

One, of course, is in our bilateral relations with the Soviet Union. We have indicated to them already that the line of credit and other emergency assistance that had been discussed by our government is under review.

The Leader of the Opposition will know that, even within the Canadian community of Baltic origins, there is some question as to whether or not we should be involved in actions that have to do with the delivery of foodstuffs to the Soviet Union. That is a matter that is being considered.

We are also looking at other actions on a bilateral basis that made it abundantly clear that this action by the Soviet Union will adversely affect relations between our two countries.

Second, we are looking at actions that can be taken internationally. There was a question raised by my colleague from Winnipeg and again by the member for Calgary the other day, and we are examining whether it is possible to raise these matters through the CSCE or through the United Nations. There is a problem of a Soviet *de facto* veto in both cases.

Finally, Canada is looking at concrete ways in which we can support the Baltic states through increased contacts and direct assistance. I hope to have the opportunity to discuss some of those in detail in my meeting later today.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, my questions are to the same minister.

As we know, one week ago, the world witnessed the bloody crackdown against Lithuania. Today, the Canadian Latvian community is outraged by the senseless tragedy of the Soviet black berets killing and maiming innocent civilians and journalists in Riga over the weekend.

I would like to ask the Secretary of State for External Affairs: In light of the critical events happening in the Baltic states, would he, which he can do pursuant to Standing Order 53, call for an emergency debate on this very critical issue?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I would certainly favour an emergency debate by this House on that matter.

I believe that there may be the opportunity for that issue to be discussed among House leaders. Indeed, it may already be under consideration by House leaders, and I would not want to intrude upon their decisions.

I think it would be helpful following the unanimous resolution that was passed here if there were a short, clear debate by this Parliament allowing representative members of Parliament of all parts of the House to express their views clearly and unequivocally to the Soviet people and, indeed, to the people of the Baltic republics.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, to the same minister.

This Saturday, January 19, my colleague from Scarborough Centre and I attended a meeting with close to 500 Canadians of Baltic descent to discuss this current crisis in the Baltic states.

Among other demands, Baltic Canadians want the Government of Canada to call on the United Nations to send observers to the region and to recognize the councils of the republics in Canada. I want to ask the minister: Will he consider these two requests from the Baltic Canadians? Can we expect some action on these two recommendations as soon as possible?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, my colleague from Scarborough Centre, as is her custom on these matters, brought the contents of this discussion immediately to my attention this morning.

We had an opportunity to discuss it in detail. I am not yet in a position to respond to the question put in the House by my hon. friend and put to me earlier by the hon. member for Scarborough Centre, but we hope to be able to respond in—excuse me?

Mrs. Campbell (South West Nova): What is the U.S. doing?

Mr. Clark (Yellowhead): The hon. member speaking from her seat asks what the United States is doing.

She would be interested to know that, among the communications to the Soviet Union by western leaders, no one spoke more strongly, no position was more emphatically stated than that by the Prime Minister of Canada.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): Mr. Speaker, indeed, without commenting upon her question or upon the reaction of other countries, I can say without any fear of contradiction that the statement by the Prime Minister of Canada was the strongest issued by any leader of a western government and we intend to follow in that course.

* * *

PERSIAN GULF CRISIS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, on July 25 of last year, one week before Saddam Hussein attacked Kuwait, the U.S. ambassador told him that she had been instructed by James Baker to say: "We have no opinion on the Arab–Arab conflicts like your border disagreement with Kuwait. The issue is not associated with America."

Given this history and given western and U.S.S.R. arms sales to Iraq, can the Prime Minister indicate whether Canada agreed with these early U.S. signals and with these arms sales to Iraq, and what concrete diplomatic efforts Canada is making, both at the United Nations and in direct dialogue, hopefully with Iraq and through the Arab league, to bring this mad war to an immediate end?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I have had extensive conversations with foreign ministers in the region and with Secretary–General Perez de Cuellar with regard to means by which this matter can be ended peacefully. I believe the hon. member knows that.

He will also know that Mr. Perez de Cuellar has expressed his view that there has to be a response by Saddam Hussein to the actions of the United Nations before there can be serious talk of a pause, a withdrawal or other actions of this kind. We agree with the Secretary–General of the United Nations on that matter.

I certainly did not know at the time what conversations ensued between the ambassador of another country and Iraqi authorities in July. Certainly it is our view that the questions raised by the invasion of Kuwait, that direct challenge to international law, and the refusal by Saddam Hussein to respect or respond to the wishes of the

world united, is a matter which raises direct Canadian interests and requires a Canadian response.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, of course, the minister has not dealt with the very important question of arms sales into that region in the period leading up to the invasion.

My supplementary question is for the Prime Minister. The Prime Minister knows that with the massive carpet bombing now under way in Iraq the objectives of this war are not, if they ever were, to solely remove Iraq from Kuwait in compliance with UN resolutions, but clearly to destroy Iraq militarily, economically and socially. In short, this is not a UN authorized war but a U.S. led war.

Will the Prime Minister now tell Canadians how many men, women and children have died in this war, both civilian and military, including the republican guard, since censorship denies us this fundamental information? Will the Prime Minister now recognize that Canadian troops should not be involved in this tragic war but instead, Canada should be playing a humanitarian, medical role and ultimately, a peacekeeping role, to help reduce the terrible toll that this war will take in human, economic and ecological terms?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I think most of us in this House believe that the most humanitarian action that can be taken is to end this conflict quickly, to end it finally and to end it in a way that respects not only the integrity of Kuwait, but also the effectiveness of the United Nations. That is what we are trying to do. I have no idea what the hon. member is trying to do.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, my question is for the right hon. Prime Minister.

The Prime Minister will know that an all-party delegation has just returned from the Horn of Africa which currently faces a famine of biblical portions. The gulf war is likely to seriously complicate the delivery of emergency relief through the Red Sea and the Gulf of Aden to the Sudan and Eritrean ports.

• (1430)

Would the Prime Minister therefore undertake to inform the United Nations and other relief agencies that Canada, if asked to do so, is prepared to redeploy our air and naval forces already in the gulf to provide escort services for the delivery of humanitarian aid to the Horn of Africa?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, all the implications of that question will of course have to be looked at with some care.

My colleague, the Minister for International Trade, will be meeting with the all-party delegation which has just returned from the Horn of Africa. We are very concerned about the situation there and want to take practical steps to be of help to it.

The hon. member, inadvertently perhaps, underlines that when Saddam Hussein attacked Kuwait, when he started this war, he had effects not only upon the people of Kuwait, but he had effects upon suffering people everywhere in the world: in the Horn of Africa, in Zimbabwe, in Senegal, and in Bangladesh.

That is why this has to be stopped, and that is why it has to be stopped within the authority of the United Nations.

* * *

HUMAN RIGHTS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Today and tomorrow in Ottawa, the Department of External Affairs is meeting with various NGOs in the preparation of the upcoming 47th session of the UN Commission on Human Rights. The cruel and unwarranted human rights violation against the people of the Baltic states should be a top priority at this session.

Would the minister outline what steps Canada will take at this session on human rights to help bring an end to these atrocities in the Baltic states?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the purpose of the consultations with non-governmental organizations interested in hu-

man rights is precisely to ensure that we have the best advice from the non-governmental sector as to how we can advance legitimate Canadian interests most effectively through United Nations agencies.

There are people who are speaking on behalf of the Baltic peoples participating in those meetings. We will certainly take their advice seriously. If there are ways in which those interests can be advanced through the United Nations, we will advance them.

I make the point that we must also act on other fronts. That is why we are looking, in addition to the United Nations, to the CSCE; why the Prime Minister sent a very strong letter to Mr. Gorbachev; and why we are looking at other ways in which we can offer symbolic and substantial help to the Baltic peoples.

Mrs. Beryl Gaffney (Nepean): My supplementary question is directed to the same minister, Mr. Speaker.

These outrageous atrocities are happening today. They happened yesterday and they happened last week. Still I hear that we plan to keep moving at a slow pace.

Would the minister please assure me and the people on this side of the House that he has instructed these people who are meeting with the NGOs to try to attempt to bring an end to these gross violations of human rights? Would the minister please assure me that he has asked these people to make that representation?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, it is very important that this House be heard. It is very important that individual members, like the hon. member who has spoken, stand and express their concerns as evocatively as they can. But, at the end of the day, these kinds of expressions of opinion by parliamentarians in Canada will be effective only if we can find resolute ways that persuade Soviet authorities.

That is why the Prime Minister of Canada deliberately sent the strongest message sent by any western leader to Mr. Gorbachev insisting that he desist. That is why we have made it clear that the nature of relations between Canada and the Soviet Union will be very much affected by his response to that position. That is why we are looking at ways that have not been developed before and that may not be acceptable to other countries by which we can establish symbolic and substantial help to the Baltic peoples.

The members words are welcome. If she has suggestions as to particular actions that will work, that will be effective, that will have a resonance beyond this House, I would welcome hearing from her.

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[*Translation*]

BALTIC STATES

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. Considering the tragic events in the Baltic states and the involvement of the Soviet army, will the minister stop the deportation of refugees from those countries, especially those who do not want to be drafted into the Soviet army?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, we have a deportation policy that is very sensitive to the situation in countries that are part of the Soviet Union. Similarly, people from the Soviet Union who are in this country may apply for a visa extension in Canada.

[*English*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my colleagues and I have been informed this weekend that some refugees from the Baltic states presently in Canada are being deported. They believe that once they are in the Soviet Union they will be drafted by the army.

Will the minister make sure there is no deportation into the Baltic states?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, we have been very sensitive to the situation in the Baltic states. Of course the people from these states carry Soviet passports, so it is up to them to identify themselves as being from a Baltic state.

However, our practices will continue to be very sensitive to the situation there.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Secretary of State for External Affairs. It also pertains to the situation in Latvia and Lithuania and, for all we know, any day now in Estonia with respect to the use of violence against civilians and the imposition of Soviet control over the democratically elected governments of these Baltic republics.

I am asking the Secretary of State for External Affairs, not quarrelling with his analysis of the strength of the Prime Minister's statement but recognizing the urgency of the situation there that some action be taken: What can Canada do today at the United Nations to bring this issue into the international arena where it belongs?

I suggest to the Secretary of State for External Affairs that he not let the Soviet veto get in the way. If the Soviets want to veto some suggestion by Canada, so be it, but Canada should be making concrete suggestions as to how this can be dealt with at the UN.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I accept that and I agree with that. There is of course an extension between making a case and having a direct effect. I accept the hon. member's case that despite the veto there may well be things we should be doing at the UN and indeed in the CSCE.

I think the most practical thing I could do today is to accept the opportunity as a parliamentarian to meet the vice-president of Latvia who is here, and I have changed my schedule to do that.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I am sure everyone welcomes the willingness of the minister to meet with these groups, but in the end he will have to act on behalf of the government and not as a parliamentarian. What we are trying to suggest are ways and things that the government can do.

Therefore, I have a supplementary question having to do with the direct assistance option of which the minister spoke. I am in receipt of information which the government may already have of the various medical needs of the republic of Lithuania and certainly now of the republic of Latvia as a result of the actions taken by the Soviet troops.

I wonder whether the government is now making plans to deliver that kind of medical aid, equipment, et cetera, drugs and various other things that are needed in those republics as a result of Soviet action.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the short answer to that question is yes.

Indeed we have had discussions with some provincial governments which have indicated a willingness to make some contributions to medical aid. We are looking at other ways in which we can both assemble the aid and ensure that it reaches its destination. The latter problem may prove more difficult than the former, but I have some confidence that that can be accomplished. I would appreciate, naturally, the help of members of the House in identifying sources of medical aid that may be helpful to Canada and helpful to the people of the Baltic republics in this circumstance.

* * *

• (1440)

PRISONERS OF WAR

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the Secretary of State for External Affairs and it concerns the treatment of prisoners of war.

In light of the parading of the coalition prisoners of war on Iraqi television over the weekend which gives cause for concern for their treatment, I wonder if the Secretary of State for External Affairs could tell the House what assurances Canada has sought to ensure that prisoners of war are treated by the Iraqis according to the 1949 Geneva Convention on the treatment of prisoners of war.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, we have today called in the ambassador of Iraq to Canada to demand precisely those undertakings. That is Iraq's clear obligation under international law, and Canada expects it to adhere absolutely to those obligations.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): I thank the minister for his direct answer. I am sure he is doing all within his power to talk with Iraq.

Those of us in the House who have looked at some of the things they have done, even before the war, would have great cause and indeed wonder if they would honour these commitments.

I would ask the Secretary of State for External Affairs to give us perhaps his assurance or response to the proposal that we may have to go outside the Iraqi ambassador and indeed seek assurances from international organizations directly, like, for example, the International Red Cross.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I am certainly prepared to do that.

I would remind the hon. member that when there was an agreement by the world, indeed an agreement that had been initiated by Canada with regard to trying to get food and medical supplies to people in particular need in Iraq by way of the International Red Cross, it was Saddam Hussein who said no, just as he has said no throughout this piece.

It would be extremely unwise for anyone to assume that, until he is forced to, Saddam Hussein is going to change a position which has consistently, day after day, using all the time that we have given him, put the world more and more at risk.

* * *

FREEDOM OF THE PRESS

Ms. Mary Clancy (Halifax): Mr. Speaker, the government continues to state that Canadian forces in the gulf are under Canadian command.

Can the Prime Minister reassure Canadian journalists that our traditional freedom of the press will co-exist with security in a war zone for the duration of this conflict?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, indeed the Canadian forces are under Canadian command. Any journalists who are there will obviously be given full freedom of the press, subject of course to all necessary requirements stipulated by military authorities in a war zone.

Ms. Mary Clancy (Halifax): Thank you, Mr. Speaker, but the question is: Whose authority? The Canadian Association of Journalists complains that our reporters are subject to U.S. censorship.

Can the Minister of National Defence assure this House that Canadian reporters will be able to tell the full story of our forces and the job they are doing to the Canadian people?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, as of last Friday, I signed a letter to the president of Canadian Press, which represents the media located in the Persian Gulf area. I outlined exactly the attitude and the opportunities available for the Canadian media to be briefed and to be brought up to date without harming the operational capability of the Canadian forces.

I cannot guarantee for other nations or I cannot guarantee that Canadian media located in other countries where Canadian military authorities are not functioning can have the same access. I am sure people will recognize the consistency with which we have dealt with the media, and that will continue.

* * *

PERSIAN GULF CRISIS

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Prime Minister.

One of the factors which has made the public skeptical of the war in the gulf, in particular the motives of western governments, has been the role of western governments over the past 10 years in the sale of arms to Iraq, against which this government is sending our forces. I raised this issue in the House last November. Has the government investigated the role of Canadian government departments and Canadian companies in the sale of arms to Iraq and if so, what can the government report to the House?

Right Hon. Joe Clark (Secretary of State for External Affairs): Yes, Mr. Speaker, we have looked at that. The hon. member will know that there were some unsubstantiated allegations by a Canadian journalist with regard to a particular transaction. We have asked for any evidence that journalist might have. He has provided us with none. All of the evidence we have indicates that his alleged facts are wrong.

The hon. member will also know that I have tightened the export control restrictions generally with respect to export of goods to that region which might be used as arms. I believe there have been no Canadian shipments. Again, if the hon. member has any hard evidence, not unsubstantiated allegations, not allegations in the air, I would like to look at them.

Finally, it is going to be very important for the world to seize the opportunity when this war is over to have a more effective regime. I have spoken about that. Among the steps that our diplomats are taking now, as we look to what Canada might do, what initiative we might take after the crisis is over, is an identification of the practical measures that might be taken to stop the trade of arms, not only into Iraq but into that volatile region.

Mr. John Brewin (Victoria): Mr. Speaker, I have information that Iraq now has in place artillery capable of firing shells with high explosive or chemical warheads at extended ranges, shells which were tested by a private Belgian company in 1987-88 at the Department of National Defence Research Centre at Suffield, Alberta.

If the Department of National Defence did not know this, and I am advised that it could have known it by simple inquiries, that the shells were destined for Iraq, can the minister tell us whether the government was aware of this? Will the minister agree that an immediate, independent, public investigation be launched into Canadian involvement in all arms sales to Iraq?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I am still not aware of anything other than the allegation which has just been made by the hon. member. If he is serious, he will provide us right now—lay it upon the table of the House, or deliver it to me directly—all of the information that he has that we should be pursuing.

On the basis of the information I have, there has been no Canadian involvement in that trade. I must say, Mr. Speaker, that I am pleased that the hon. member now understands that Saddam Hussein does possess this deadly capacity and if we had given him the time, which the hon. member and his party asked us to give him, he would have made more deadly use of that potential.

* * *

HUMAN RIGHTS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Secretary of State for External Affairs. It concerns the very serious human rights violations in Latvia and the other Baltic countries.

The Secretary of State for External Affairs is aware that the third round of the CSCE conference on the human dimension, the human rights conference, is being held in Moscow later this summer with the U.S.S.R as host. Surely we should be thinking about bringing some pressure to perhaps relocate that meeting to another country or withdrawing from it.

I think it would be a tragedy, if the U.S.S.R. does not change their approach, for us to attend a human rights conference in Moscow.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, when the decision was taken to have the conference of the CSCE in Moscow, I believe Canada was the last country of the CSCE to agree to that location. We did so with some reluctance, precisely because we wanted to have some guarantees as to the commitment of the Soviet Union to human rights matters.

It was the judgment of the Government of Canada at that time that it was very important to have a conference on that topic in the atmosphere of *perestroika* and *glasnost* within the Soviet Union. We have secured guarantees with respect to access of journalists, the position of non-governmental organizations and the like.

• (1450)

I agree with the hon. member that the events in the Baltic republics raise questions that must be considered with regard to that meeting. I think he would agree with me that it would be well for the Government of Canada and others to respond, prudently and carefully, to that proposal, so what I will do is note a proposal that has been made by a member of the House.

* * *

INTERNATIONAL ENERGY AGREEMENT

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Under the free trade agreement, Canada is required to proportionately share its oil and gas with the United States. Is the minister preparing to honour this agreement when the U.S. suffers a shortage as a result of what the Prime Minister has predicted to be a long and difficult war in the Persian Gulf?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, first of all, with respect to the free trade agreement, I point out to the hon. member that chapter 9, the energy chapter, commits both signatories to all the obligations that they had taken before that, principally, the General Agreement on Tariffs and Trade.

As well, I remind the hon. member that in 1974 the then Liberal government joined Canada—and I agree

with that—in the International Energy Agency, whereby Canada obligated itself for sharing of any shortfalls. It is that obligations which Canada is following and not the free trade agreement.

[*Translation*]

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my supplementary is directed to the same minister. Could he confirm that the government has prepared a gas rationing plan for consumers and that ration coupons are about to be printed, in fact, are being printed at this very moment in Cornwall?

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the Government of Canada, along with the provinces and the industry, has developed an oil and gas industry in which our reserves have, in fact, increased since the days of the latter seventies and the early eighties.

Second, I point out to her that we are in a position where we are a net exporter of oil and gas.

Third, it is for these reasons that this government has spent a lot of money in encouraging new projects, both in the west and off the east coast, so that we can increase our supply.

Last, under the International Energy Agreement, there are three stages, one of public information, the second a co-ordinated emergency response mechanism which we triggered after the invasion and, third, if there should be rationing, as part of the IEA— which we do not believe will happen—we have not printed coupons. If we were to ever come to that point, it was the Liberal government of 1974 that committed Canada to that approach.

* * *

PERSIAN GULF CRISIS

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Prime Minister. On Friday, the Leader of the Opposition asked the government if it would provide humanitarian aid to the people of Israel, in light of the unprovoked attack upon it by Saddam Hussein and in light of our sympathy and solidarity with that country and the Prime Minister said that such aid had been offered. I ask the Prime Minister if he can provide the House with the details of this humanitarian aid at this time.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as my colleague and I pointed out in the House, not on Friday but on Tuesday, we believed that the ultimate ambition of Saddam Hussein was to launch an attack against Israel. This is one of the reasons why Canada has taken such a firm stand in defending the United Nations and its principles because that was consistent with the avoidance of the kind of attacks we have seen against Israel.

When the attacks took place, the Secretary of State for External Affairs and I immediately conveyed to the Prime Minister of Israel and his government our expressions of solidarity and support, together with our intention to be of assistance in respect of any humanitarian requirements that might arise.

We have been keeping in touch both with the government of Israel and with leaders of the Jewish community across Canada. We have not yet received a specific demand, but the Government of Israel has expressed great appreciation for the understanding, support and solidarity manifested by the government and the people of Canada.

Hon. Herb Gray (Windsor West): Mr. Speaker, in light of all these contacts, I again ask the Prime Minister if he can tell us more about this aid which will be welcomed by all concerned, and in particular if he can tell us exactly what this aid will consist of.

When will it be sent? Will it help repair the damage caused by the missiles? Also, will it help provide housing for the hundreds of thousands of refugees crowding into Israel because of conditions in the Soviet Union?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the hon. member at the end of his question raises another matter which has to do with housing and refugees.

When I was in Israel in November, there were discussions with regard to Canadian assistance for housing. We said that we would be prepared to have Canada involved in that kind of assistance provided it did not have to do with housing in the occupied territories.

With regard to the humanitarian assistance, it would come from CIDA. Sources have been identified. The government of Israel has, very recently, not only indicated its appreciation of the help that was offered but

suggested that at this stage it was an offer which, while appreciated, would not be taken up at this stage.

We have also made a similar offer to the government of Jordan. The Jordanians also indicated that because the reports had been exaggerated of the impact of missiles falling on their territory they would not respond at this stage.

I should take the opportunity, since it relates to humanitarian assistance to Jordan, to say that I have discussed with Jordanian officials help that Canada might provide to Jordan in dealing with refugees who might come into that country as a result of their decision, taken at the urging of the world, to open their border to refugees from Iraq or elsewhere.

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PERSIAN GULF CRISIS

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, my question is for the Minister of National Defence.

We are hearing reports in generalization of carpet bombing of Iraq day after day and night after night, but because of military censorship we are not getting any of the facts about casualties which, judging by World War II experience, potentially can be very devastating.

Will the minister give us some estimate from his sources of how many people—men, women and children—military or civilian, have been killed in this carpet bombing?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the only estimate I can give him is that which Saddam Hussein put forward from Iraq. The fatalities are less than 100.

Some hon. members: Oh, oh.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, my supplementary question is for the Secretary of State for External Affairs.

King Hussein of Jordan recently called for a temporary ceasefire to give dialogue and diplomacy a chance to avert a tragic disaster. Will the Secretary of State for External Affairs comment as to what is Canada's response to King Hussein's call?

Right Hon. Joe Clark (Secretary of State for External Affairs): Yes, Mr. Speaker. The Government of Canada has maintained the most active possible contact with King Hussein and with his government.

We thought that was particularly necessary because other governments involved in the coalition were not maintaining that contact. That is the reason I visited Jordan in November, and that is the reason why the Prime Minister has been in regular communication with the King. That is why I phoned Mr. Masri, the foreign minister two days ago. We are maintaining close contact with him.

Our ambassador, Percy Sherwood, was called in by King Hussein two nights ago. King Hussein expressed to him his deep appreciation of the leadership that Canada has shown in keeping lines open between members of the coalition and Jordan.

• (1500)

With respect to the particular proposal that King Hussein has put forward, that is one with which we disagree. We think it would be inappropriate for there to be a pause or a cease-fire until Saddam Hussein has used the channels that are open to him to indicate clearly that he is prepared to accept Security Council resolutions that were duly passed, and that he had an opportunity to accept in conditions of peace and they now are being enforced by the world.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

PENITENTIARY ACT

MEASURE TO AMEND

Mr. John Nunziata (York South—Weston) moved that Bill S-119, an act to amend the Penitentiary Act to reinstate the statutory visitation privileges of members of Parliament, be now read a first time.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to and bill read the first time.

Routine Proceedings

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE STANDING COMMITTEE

AUTHORIZATION TO BROADCAST PROCEEDINGS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, there have been discussions on all sides of the House and I believe that you will find the necessary consent for the following motion:

That this House authorize the broadcasting, pursuant to the principles and practices governing the broadcasting of the proceedings of the House of Commons, by the electronic media as represented through the House of Commons Press Gallery, of the meeting of the Standing Committee on External Affairs and International Trade, Monday, January 21 at 3.30 p.m.;

That such broadcasting be at the discretion of the chairman of the committee; and

That the decorum of the meeting be preserved.

Mr. Speaker: The House has heard the terms of the motion. Is there agreement?

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

YOUNG OFFENDERS ACT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I have the honour to present a petition on behalf of residents of Ontario who are concerned about the Young Offenders Act.

The petitioners are asking for more severe penalties for those convicted of violent offences, mandatory psychiatric treatment for young offenders ordered by the courts to receive it, the release of names of young offenders convicted of murder and sex crimes and violent assaults, and the automatic transfer to adult court of those young offenders charged with sex crimes and murder.

BALTIC STATES

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I present this petition from concerned citizens of Canada who presented me with this petition this weekend which is in response to the crisis in the Baltic states.

The House knows that Lithuania, Latvia, and Estonia have been on the forefront of economic reform and real democratization.

The petitioners state that President Gorbachev has begun to use force to impose his rule in place of the democratically elected government of Lithuania. They also state that the Soviet Union is not adhering to its obligations under the Conference on Security and Co-operation in Europe and is refusing to negotiate solutions based on the principles of the Helsinki Final Act.

The petitioners are calling upon the Parliament of Canada to recognize immediately the legitimate democratically elected government of the Republic of Lithuania. They demand that the Soviet Union withdraw all military forces from Estonia, Latvia, and Lithuania and that unconditional international aid to the Soviet Union in the form of credits and feed grains be conditional upon the withdrawal of Soviet troops in the Baltic states and resolution of the Baltic crisis.

POST OFFICE CLOSURE

Mr. Maurice Foster (Algoma): Mr. Speaker, I have the honour to present a petition signed by several hundred constituents in the community of Algoma Mills.

The petitioners point out in their petition that a federally operated post office has been an integral part of that village since 1882 and ask that it not be replaced by a privatized postal outlet.

The petitioners point out that it is important to the community and call upon Parliament to urge the government to cancel any plans to close or privatize the said post office.

NATIVE PROGRAM FUNDING

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I rise, pursuant to Standing Order 36 to present a petition signed by 113 people in communities across Canada, which calls for reinstatement of funding to the native communications program and the aboriginal broadcasting programs.

As the House will know, International Pen, a writers' organization which draws world attention to violations of the right of freedom of speech, has criticized cutbacks in the funding of aboriginal broadcasting and communications because it was motivated, not by budgetary reasons, but by an attempt on the part of the Secretary of State to silence aboriginal communities and to suppress their

cultural and political rights which are guaranteed by international conventions to which Canada is a signatory.

The petitioners ask the government to respect its obligations under international law, stop suppressing freedom of speech for aboriginal organizations, and restore funding to the aboriginal communications program.

PERSIAN GULF CRISIS

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I rise, pursuant to Standing Order 36, with yet another petition of almost 100 names from residents of Mission—Coquitlam who have called on the government to consider their petition and their position that Canada, which has a solid reputation as a dependable advocate and supporter of the United Nations and is recognized world-wide as a peacekeeping nation, would have found that economic sanctions were a non-violent and effective means of applying pressure and influencing countries and their leaders.

The petitioners urge the government to resist war in the Middle East and to allow time to put pressure on Saddam Hussein to withdraw his troops from Kuwait.

POSTAL SERVICES

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to table 78 pages of petitions, which have been certified correct as to form and content pursuant to Standing Order 36, from Prince Rupert.

The petitioners call upon Parliament to request that the minister responsible for the Canada Post Corporation instruct Canada Post to keep full wicket service open at the Prince Rupert post office; that further wicket positions be opened at the Prince Rupert post office; and that Canada Post Corporation be instructed to operate longer hours, expand revenue-generating services, expand letter carrier delivery, and stop privatizing.

LOW-LEVEL FLIGHT TESTING

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, it is my honour and pleasure, pursuant to Standing Order 36, to introduce a petition from 108 people living in Innisfail, Calgary, Lethbridge, Monarch, Edmonton, and Bassano, members of the Anglican Church of the Diocese of Calgary, who point to the health threats of the low-level flight tests at Nitassinan, Labrador-Quebec against the Innu and Inuit people, and also the position of the General Synod of the Anglican Church of Canada calling on the federal government to stop the NATO low-level flight testing there.

The petitioners, therefore, request the government to halt all low-level flight testing and related training over lands inhabited and claimed by the Innu and Inuit people, to withdraw Canada's invitation to NATO to establish a permanent NATO tactical weapons base there, and to take steps to protect the livelihood of Canadians who would be adversely affected economically by the cessation of fighter bomber training.

• (1510)

PERSIAN GULF CRISIS

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I rise to present petitions, pursuant to Standing Order 36, certified correct as to form and content, from a number of people all over my riding showing that Canada's role as a peacekeeping nation with the UN has been effective and that role should be maintained in the present gulf crisis and that negotiations should be allowed to continue in the search for a peaceful solution in the Persian Gulf.

The petitioners humbly pray and call upon Parliament to keep the reputation of Canada as a peacekeeping nation to act in the best interests of all Canadians.

POSTAL SERVICES

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I, too, have the honour to table two different petitions on the subject of postal services. The government has a habit of taking away mailboxes and cutting services without consulting the constituents.

In the first petition, the petitioners call upon the government to relocate the mailbox which was located at 223 Roncesvale Avenue in Toronto, so that the people can use that box and not have to go long distances to post a letter.

The second one is with regard to Postal Station M which has been moved. The petitioners request that the government provide Priority Post, registered mail, the

sale of stamps and related items, lock boxes, et cetera, in the new location, as was provided in Postal Station M.

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Shall all questions be allowed to stand?

Some hon. members: Agreed.

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MOTION TO ADJOURN UNDER S. O. 52

BALTIC STATES

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I move, pursuant to Standing Order 52, seconded by the hon. member for LaSalle—Émard, for leave to adjourn the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely the turmoil in the Baltic states.

Although the House of Commons recently passed a resolution on the situation, I strongly feel that events over the weekend in Latvia and the increase in military activity in all three states warrant serious discussion on the future of Canada's relations with the Soviet Union.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, notwithstanding the motion of the House of January 15 condemning the Soviet Union on its policy in the Baltic states, I request under Standing Order 52 leave to have an emergency debate on the aggression against the Baltic nations by uncontrolled special forces of the Soviet Union.

A genuine emergency has arisen due to the fact that the duly elected governments of Latvia, Estonia, and Lithuania are under siege by an aggressor. We cannot reward aggression, that precedent being established by the coalition against Iraq.

I am calling for an immediate debate, as well, because international law has been broken by a foreign power, the U.S.S.R., as Canada has never recognized the forceful annexation of those Baltic states.

As Your Honour is aware of the new developments in the Baltic states since the motion of the House on January 15, the debate being of urgency should take priority over the day-to-day business of the House.

Mr. Speaker: Is the hon. member rising on the same issue?

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Yes, Mr. Speaker.

Mr. Speaker: I am sorry, but the hon. member did not give the Chair notice as required under Standing Order 52.

[*English*]

I have received two applications under Standing Order 52 for an emergency debate with respect to the issue in the Baltic states. The first is from the hon. member for Parkdale—High Park, and the second from the hon. member for Calgary Northeast.

The House of course is aware, as has been mentioned by both hon. members, that a joint resolution of the House was passed a few days ago and since then there has been continual discussion, at least in Question Period, on the subject.

However, I am conscious, as I must be as your Speaker, of comments made during exchanges today in Question Period. It has been made very clear to the House, through the right hon. Secretary of State of External Affairs, that some discussion is going on at the moment among House Leaders and others in the House with respect to a possible debate. Until I have heard further in that regard, I am going to reserve my decision. I thank the hon. members for raising the matter.

GOVERNMENT ORDERS

[*English*]

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AGREEMENT ACT

MEASURE TO ENACT

The House resumed from Wednesday, December 19, 1990, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development, be read the third time and passed.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, I am pleased to participate in third reading of this bill. We can view with some gratification, indeed some anticipation, the likely outcome of the initiative which is embodied in this piece of legislation.

No one in this House or indeed anyone in the western world can do other than welcome the extraordinary events in eastern Europe over the past year or 18 months which have led to the proposal now before us to create a European Bank for Reconstruction and Development. It is not very many years ago when the concept of a bank embracing both the countries of eastern and western Europe, and indeed countries outside Europe, in a common effort to bring about the more rapid economic development of the now united continent of Europe would have been virtually unthinkable.

Yet here we are today with a bill before the House for third reading which will bring about Canada's participation in the European Bank for Reconstruction and Development. It will enable Canada to contribute to the resources of the bank and make Canada one of its founding members.

We on this side of the House welcome the development of the idea first broached by President Mitterrand in the summer of 1989. We welcome Canada's participation and we look forward to the early date when the bank will play a major role in giving further substance to the unification that we have seen in Europe.

This is primarily a bank with the purpose of channelling funds into the now market-oriented economies of central and eastern Europe. It is a bank which will be committed to providing funds for those nations in central and eastern Europe which demonstrate the principles of multi-party democracy, of pluralism, and market economics.

Canada's participation in the bank will be substantial. We shall hold 3.4 per cent of the shares in the bank. We shall over a period of five years contribute some $150 million toward the capital of the bank. That is a contribution and a participation that ranks Canada among the more active members of the bank.

• (1520)

In passing I would ask of the government whether in terms of participation in the bank what has become of the fact that the original terms under which the bank was proposed envisaged a role for the German Democratic Republic. Should we now assume that those shares will be picked up by the Federal Republic of Germany, the now united Germany, and, if so, will that make Germany the largest single participant in the bank?

If one assumes that the German Democratic Republic and the Federal Republic shares are to be merged into the shares of the now united Germany, it would indeed make Germany the largest participant in the bank, with a few shares more than that of the United States, which in the original planning was to have been the largest single participant.

I would ask the government, before we finish our brief discussion of this bill, whether it might respond to that particular question.

As I have noted, the legislation before us makes it clear, as does the bank's articles of constitution, that the principal purpose of the new bank will be to channel funds to private enterprise, the market-oriented economies of central and eastern Europe. Throughout eastern Europe, there is a great need to promote private and individual initiatives.

All of us, I am sure, on every side of this House, look toward such an initiative as a major way of underpinning the developments of the last 18 months in eastern Europe. It can help to give substance to the desire on the part of the eastern European countries to move away from the communist regimes which have marked their post-war history to the open market economies that have contributed so substantially to the contrasting prosperity in western Europe.

In addition, we on this side of the House, and I am sure all members, welcome the fact that some major part of the funds of the bank will be directed toward the necessary restructuring of the public goods and services of eastern Europe. I speak principally of questions pertaining to the environment which have been sadly neglected in eastern Europe in the post-war years. In addition, funds will be directed to the public works which are in most eastern European countries in need of refurbishment or of replacement.

We shall see, I think, a major demand on the bank's resources in the time ahead will be to contribute to the environmental clean-up, the infrastructure and perhaps, most important, the reform of state-owned corporations. But the principal purpose, and I think we should not lose sight of that, is that the bank will promote the development of market-oriented economies through eastern Europe, a type of economy to which the countries of

eastern Europe have clearly and consistently in the past months committed themselves.

In conclusion, one comment that has been raised in regard to the creation of the European Bank for Reconstruction and Development, which is to be situated in London, is that somehow it conflicts with the machinery and the potential of the World Bank, the International Bank for Reconstruction and Development, to channel funds to eastern Europe. For my part, I would not accept that the existence of the IBRD is a valid argument against the creation of the European Bank. Of course, the International Bank for Reconstruction and Development and the International Monetary Fund will have a continuing role to play in the growth and renewal of the economies of eastern Europe. The fact remains, however, that within the United Nations system, the regional banks have been recognized as playing a substantial role in providing capital for the particular needs of the major regions of the world. Obviously, the Asian Development Bank has had considerable success in channelling funds into development projects in Asia, as has the Inter-American Development Bank in Latin America and the African Development Bank in that continent.

It is both consistent and natural that in the particular circumstances facing the countries of eastern Europe today, a special regional bank for Europe should also be created. Such a bank will be the best place to identify and to develop the projects that this common effort on the part of countries, not only in Europe but outside Europe, can hope to offer. It is for that reason and indeed for a variety of other reasons that we welcome this legislation pledging Canadian participation in the creation of the European Bank for Reconstruction and Development.

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I want to take this opportunity to thank my colleague for his remarks with regard to this bill that we are discussing, Bill C-88.

He did ask a question with regard to the unity of the two Germanys and the amount of control that they may have. There was a document circulated I believe, last October, that referred to this. Germany, as a G-7 member, will have approximately 8 per cent. This leaves the United States still taking the lead role with 10 per cent and Canada with 3.4 per cent. I hope that this may answer my colleague's question that he put forth.

Mr. MacLaren: Mr. Speaker, perhaps it is a little unusual in the House for one question to beget another question to beget another question. In fact, the hon. member's information does not meet the point I was attempting to raise. That is, does the allocation to the then-German Democratic Republic, which was 15,500 shares, disappear on the occasion of the merger of the German Democratic Republic with the Federal Republic or is it being absorbed by the Federal Republic? If it has been absorbed, that would bring the total shareholding of the Federal Republic of Germany to slightly over 100,000 shares which is marginally ahead of those of the United States.

However, it is not my intention to take more time of the House on this point. I am sure the hon. member could provide me with that information in another way if she so wishes.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I will begin my comments on this bill by saying that there is a certain irony in the fact that we are debating this bill today at the same time that we are contemplating an emergency debate this evening on the situation in the Baltic republics.

One of the things that people have been discussing is what actions might be taken with respect to our relationship with the Soviet Union because of events in the Baltic.

• (1530)

Yet, here we are this afternoon sort of uncritically debating the establishment of a bank. I am not saying this in a critical way. I am just pointing out the irony of it. This bank is designed to relate not only to the countries of eastern and central Europe but also the Soviet Union.

Certainly this is part of the new relationship with the Soviet Union that has come about as a result of *glasnost* and *perestroika*. If in fact those movements within the Soviet Union are now being called into question as a result of the violence against civilians in Lithuania and just the other day in Riga, Latvia, then it is difficult to talk about this new bank being set up to further that new relationship, when we are in some doubt about the

nature of that relationship as a result of the events in the Baltic.

Having said that, I think it is probably useful to go on because there is a deadline, as I understand it, to meet for the international agreement that would set up this bank, although that deadline is March 31, 1991. We are talking about some time.

I want to make it clear that I am not suggesting that we make any premature judgment about whether or not this bank is still a good idea. I think it is a good idea, but the fact that the Soviet Union is included in its ambit is perhaps something that is at least ironic, given events in the last few weeks in the Baltics.

We are all concerned about what is happening there. I had the occasion on Friday to visit with the Soviet ambassador to Canada, along with the hon. member for Scarborough and the hon. member for Parkdale—High Park, to express on behalf of the Canadian parliamentary group for the Baltic peoples our concern at what was happening in the Baltic states.

I may have more to say about that later this evening, if we get an emergency debate. Just in case, I wanted to say that that had happened and to say that we do not accept the official Soviet position put forward by the ambassador that all that is needed to solve the situation in the Baltic republics is for the Baltic republics to follow the newly established constitutional procedures for separation.

As you may know, Mr. Speaker, these procedures call for a five-year procedure by which republics would separate themselves from the Soviet Union. This is often cited by official Soviet spokespersons as the procedure which the Baltic republics should follow.

It goes unsaid in this kind of analysis, first of all, that the governments of the Baltic republics do not want to separate by virtue of a constitutional process because they continue to maintain they were illegally annexed into the Soviet Union. Therefore, for them to seek sovereignty through the established constitutional process of the Soviet Union would be for them to admit in a way they are unprepared to admit that they are in fact a part of the Soviet Union.

They wish to have a special negotiation with the Soviet Union, which recognizes the fact that a great part of the world, including themselves, never recognized their annexation by the Soviet Union. This is a position supported by the Canadian government and by the Standing Committee on External Affairs and International Trade which had opportunity to go to the Soviet Union in April to meet with a variety of people, including representatives from Lithuania, about the Baltic situation.

The committee recommended that the special case of the Baltics be recognized, as it already has been by the Canadian government, by the Soviet Union. The committee recommended that the Soviet Union recognize the special status of the Baltic republics and hoped that the Soviet government and President Gorbachev might see their way through to being able to accept this special status of the Baltics and at the same time recognize that this did not necessarily set precedents for other republics which came into the Soviet Union in a different way. It was not as a result of the Molotov–Ribbentrop Pact of 1938.

There were plenty of grounds within the thinking of the international community for the Soviet Union to seize upon the special status of the Baltics and to have entered into meaningful negotiation with the newly elected governments of the Baltic republics, all of which were elected in 1990 as a result of the first real elections in those republics since before 1940.

I had the privilege of being there for one of those elections, the election in Lithuania in February 1990, with other members of this House, and saw first hand the authenticity and the civility with which the election in Lithuania was held. It strikes me as even more tragic the violence which is being visited upon the people of Lithuania and Latvia knowing, as I do, first hand the tremendous spirit of peaceful change through which these events happened and continue to happen in Lithuania.

All that is required, it seems to me, is for the leadership in the Soviet Union to determine first of all that the democratically elected governments of these republics not be overthrown by violence, not be overthrown at all but particularly not be overthrown by violence in the way some people have suggested is imminent. If Moscow, President Gorbachev or whoever the powers that be are now in Moscow were to allow that to happen, this would certainly mean a fundamental change in our attitude toward what is going on in the Soviet Union.

Let those governments continue to exist. Call back the black berets and others who are involved in these military actions against police loyal to their democratically elected governments and negotiate. It is okay for Moscow to negotiate toughly. It is okay for it to take a hard line with respect to what sovereignty might mean. It is okay for it to have its own position. I think it has a lot of legitimate concerns with respect to Baltic sovereignty, from security concerns to various economic concerns, to concerns about minorities within the Baltic republics and how they might be treated by the ethnic majorities in those Baltic republics.

There are plenty of things to be worked out and worked out over a long period of time in all likelihood, but worked out; not resolved by the swinging barrel of a Soviet tank, by automatic gunfire or by the ways in which we have seen the problem approached in the last few weeks in Lithuania and in Latvia.

In this respect I want to say that I think the rebuilding of eastern and central Europe often characterized, particularly with the coming down of the Berlin wall, the end of the Second World War, the last legacy of the Second World War. We need to realize that until the status of the Baltic republics is dealt with, the Second World War really has not come to an end in the way in which many now speak of the situation in Europe.

The Berlin wall was not the last legacy of the Second World War. The fact that the Baltic states are a part of the Soviet Union and not able to assert their independence is the last legacy of the Second World War. Until that issue is wrapped up in the appropriate way, perhaps we should refrain from suggesting that all the consequences of the Second World War have come to an end. Certainly they are where they are as a result of an agreement between Adolf Hitler and Joseph Stalin. I do not think that can be separated from the history of the Second World War. That is why I say we should perhaps refrain from language which suggests that all the consequences of the Second World War have now been dealt with. They have not been.

• (1540)

One thing that needs to be dealt with, as a result of the democratically expressed will of all the countries of eastern and central Europe to be integrated into the global economy in a way in which they were not previously integrated, is how that is done. This bank is one of the measures contemplated, recommended, and is now in the process of being formed to help eastern and central Europe become integrated into that world economy.

I have a lot of problems with the economy into which they are being integrated. They will find that the streets will not be paved with gold as they enter into this new globalized capitalist economy. They will be entering that globalized capitalist economy at the worst possible time. Even if they had chosen to enter—and I am sure they would have done it in a more step-by-step way—or tried to integrate themselves more into the global economy back in 1968 when Alexander Dubcek first contemplated changing the nature of communism in Czechoslovakia, they would have had an easier time. At that time the kinds of mixed economies which might have made a transition period less difficult were more tolerated by the global economy.

Now it seems to me that these eastern and central European economies will have to go full circle and become full market capitalist economies, cold turkey so to speak, without any of the instruments at their disposal by which many western economies over the years shielded themselves, and appropriately so, from some of the tougher realities that enter in when one gets into a kind of truly global dog-eat-dog economy.

I am very pessimistic about what some of the consequences might be if this transition turns out to be too difficult. If people find, in the absence of the old system, that the new system is not yet able to deliver certain basic realities and needs like food, we may yet see a considerable political instability and unrest in those countries.

It behoves the west to put its money where its mouth has been for 45 years. We ought not to find ourselves in the position where it might be said of us that we shed all these crocodile tears for 45 years about the poor suffering people of eastern and central Europe, and for that matter the Soviet Union, because they were suffering under this particular system and yet, when they finally take the decision to break out of that system and say to us that they need our assistance in doing so to ensure that the transition is a transition which preserves democracy and which does not lead to political unrest and

instability, we simply say: "Well, we have problems of our own now and you look after yourself".

If we have learned anything from recent events, it is that there is no such thing as an isolated event. If the reforms in the Soviet Union, in particular but also eastern and central Europe, were to come crashing down as a result of economic failure, it would have repercussions for everyone concerned.

It is not just a matter of saying, "Well, you know, it is a tough world out there. It is a global marketplace. Welcome to the global marketplace. The race goes to the swiftest and the strongest. If you are not able to cut the mustard, well, too bad". I am sorry. It is not going to work like that.

If certain countries are not able to integrate themselves into the globalized economy in a way that is acceptable to their populations, then we will continue to have very serious problems in Europe, not the least of which, Mr. Speaker, might be the reality of millions of economic refugees, tens of millions of people simply packing their bags and moving west.

Many people are concerned about this in Germany, France and other parts of Europe, that if the new expectations in eastern and central Europe are not met, the so-called western Europe will be faced with a flood of refugees. So there is no small measure of self-interest in making sure that the economic expectations raised by the dismantling of the command economies in formerly communist countries succeed, that those expectations are met.

In the long term, Mr. Speaker, we look forward to the day when these countries of eastern and central Europe will be fully integrated into the European community. I think that is the long-term expectation of those countries. Many of those countries, and certainly member countries now in the European Community someday will be looking at a fully integrated Europe, in which sovereignty, particularly economic sovereignty, will be ceded at a certain level to a supranational body, in this case, the European Community headquartered in Brussels.

Hopefully, within that larger supranational framework, we might see a time when a lot of the national, ethnic and regional rivalries might find ways of expressing themselves, not in outmoded 19th century nationalist feelings, but in appropriate regional and ethnic autonomies that find their place within this larger supranational reality.

The sovereignty of the nation state is eroded in two ways, downwards in a devolving sort of way towards forms of regional and ethnic autonomy, that might, for instance, meet the needs of the Croats in Yugoslavia or for that matter the Scots in Great Britain, and eroding upwards towards a larger regional reality in which economic sovereignty has been ceded to that greater authority.

What is also happening in Europe, and what I think is hopeful, is people are realizing that if there is to be that kind of integrated market economy, there also needs to be a basic agreement about social standards, income security, pensions, welfare policy and various other things.

If you are going to have this kind of competitive level playing field integrated economy on a regional basis, you also have to have agreements about what the floor is in terms of social justice so that one country is not able to play its workers off against workers in another country. That has implications for analysis of the free trade agreement between Canada and the United States, all of which I do not have time to go into because I understand that my time is running out, but I hope that my comments have been helpful.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, just a few words concerning this bill before the House. The bill really puts $120 million—that is not Canadian dollars, but American dollars—forward by Canada. When we go to the schedule of the bill, we find that the agreement establishing the European Bank for Reconstruction and Development, states:

> Considering the importance of close and co-ordinated co-operation in order to promote the economic progress of Central and Eastern European countries to help their economies become more internationally competitive and assist them in their reconstruction and development and thus to reduce, where appropriate, any risks related to the financing of their economies";

When I read those words I immediately thought about the fact that the German Democratic Republic, Poland, Bulgaria, U.S.S.R. are more competitive, more able to compete with eastern Canada for our great fishing resource than we are.

• (1550)

Let me mention some of the the allocations given by the Government of Canada for this year, 1991. The allocation for Bulgaria is 750 tonnes of redfish. Next to

them is Cuba, but it has allocations everywhere. Then there is the German Democratic Republic, which really does not exist because everybody knows what happened to the German Democratic Republic. However, it is part of the EEC. It has a quota for 1991 in zone 3L and 3N on Canada's coast of 476 metric tons of redfish. The Government of Canada has not said it yet but I suppose the allocation to the German Democratic Republic for 1991 will be folded into the EEC because there is no other way to have it. The German Democratic Republic does not exist except under the EEC as it relates to these agreements which have been signed with the Government of Canada.

Then there is Poland. They have a new allocation for this coming year of 500 metric tons of cod in zone 3M off the east coast of Canada. That zone is known internationally as the Flemish Cap, a massive spawning area for fish off the east coast of Canada. It is a shallow area in the Atlantic Ocean about 230 nautical miles east northeast of St. John's, Newfoundland.

Traditionally there has never been any fishing there. In other words, all the countries of the world got together with their scientists and they said that the entire world should respect that area and not fish it because because it is a spawning ground for a great many of our flatfish in the world, but it is also a nursery area for some of our midwater fish.

We agreed no more fishing. But this year that area has been reopened and Poland has an allocation of 500 metric tons, and Canada has an allocation of 100 metric tonnes.

We come then to the U.S.S.R. They have an allocation of 1,270 tonnes. Canada has an allocation of 100 tonnes. That is only a tiny bit of the story. Mr. Speaker, if you want to know the entire story, you would be shocked because this is only one way that eastern European countries get quotas of fish along our coastline in Canada.

As I have just noted, one of the new zones opened now sees Canada with even less allocation than the eastern European countries. One way they get quotas is through what we call NAFO, the Northwest Atlantic Fisheries Organization. There is a similar organization off Europe.

However, we have an organization here that allows foreign nations to fish inside our zone. That is one way. The second way they get allocations is when Canada says that it is going to give out part of its own allocation.

What did we have in the month of December, around Christmas? We had Poland with special licences for mackerel in 4VWX. That is along the east coast of Nova Scotia, in 4VN, which is up around Cape Breton Island, and 5ZE, which is down further off New Brunswick.

Bulgaria has mackerel and silver hake licences in 4VN. The Soviet Union had at least 40 factory ships that had licences at that time. It must be kept in mind that these vessels are there because they can compete with Canadian vessels. The reason for it is quite simple.

Today in Canada we have five large companies that actually hire vessels from eastern Europe to catch their own quotas along the coastline of Canada.

Fisheries Products International is the biggest fish company we have. On January 4, U.S.S.R. vessels were unloading turbot at their fish plants to keep their fish plants going. Imagine, the Soviet Union unloading fish at FPI. It is a new phenomenon in Canada, and it just came about this past year. Never before have we ever had foreign nations whose vessels were used to catch fish in Canadian waters on licences owned by Canadian companies.

The question asked is: why? Canadian fishermen are the best fishermen in the world. They are more competitive, one would say, than any other fishermen in the world. They know how to catch fish better than any other fishermen in the world. They are the best in the world.

Why is it that for the past year or so these Canadian companies have received permission from the Government of Canada to employ vessels from eastern Europe, from the very countries we are talking about here today under this bill that will establish a bank that will see Canadian input to help these eastern European countries? The answer is quite simple.

A lot of these companies from eastern Europe and the governments from eastern Europe do not really mind if they lose money. They do not mind if they are out for 10 months fishing on the Atlantic Ocean or the Pacific Ocean, and they do not catch anything. So, they are more competitive than a Canadian vessel would be.

• (1600)

My intervention in this debate today is to make a simple suggestion to the Government of Canada. That is, if we are truly going to follow through on the intent of this legislation, it should not be a question of subsidizing a company or a country to be more competitive. It should be a question of making everything a level playing field.

The first thing the Government of Canada should do is to cancel every licence in Canadian waters held by foreign nations for fish which are under quotas to Canadian fishermen. That is the first thing the Government of Canada should do. That is my suggestion to the Government of Canada in passing this legislation.

We are the ones who are not competitive in the fishing industry, simply because we do not have the financial muscle that some of these governments put into their fishing vessels. I suggest to the Government of Canada, cancel the licences and give Canadians a chance in the fishing industry in eastern Canada.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I want to pose a question, because we do not have too many members in the House who have the kind of expertise in the fishing industry as this hon. member.

I think he will agree with me that Canada would like to help some of the central east European countries, as is the purpose of this bill. Yes, we have to protect the interests of our own fishermen and our fishing economy. Would the hon. member have any suggestions as to how Canada still could help many of the east European countries with the fishing industry, but at the same time, not harm the whole fishing industry for Canadians?

Mr. Baker: Yes, Mr. Speaker, I certainly do. First, we could assist many of these countries in showing them that certain types of machinery used on a massive scale can destroy an environment. In other words, the term "sustainable development", that the Liberal Party of Canada uses quite a bit in formulating policy, should be the first and foremost thing that we should promote with these nations.

The types of gear that are used by some of these vessels is very destructive. It is unbelievable to imagine that you could be sitting in a control room on a vessel and, through computers, be able to control the nets and so on that go over the bottom of the ocean. That is what happens in many of these vessels.

Also, this gear makes no distinction between the age of fish, none at all. It does not make any distinction between dragging over a nursery ground or a spawning ground, or dragging up the food of the very fish of which we have so few in our country.

We could give these countries the scientific knowledge that we have in Canada today and institute the same measures that we have in Canada for our resources. That is, we have a policy in Canada that says the Speaker of the House of Commons is not allowed to go commercial fishing in Canada. A member of Parliament is not allowed to go fishing if he wants. An unemployed man down the road is not allowed to go fishing, because we have completely controlled entry in the fishery. We have strict management, heavy fines, and good environmental protection that these countries do not have. That is one contribution we can make.

Another contribution we can make is to suggest to some of these nations other ways of obtaining fish. I refer, of course, to the economy of growing fish. That is one area in which we could make a great contribution to the eastern European countries, the area of growing fish, but certainly not in the area of using massive large vessels to travel all the way across the Atlantic Ocean to catch fish that nobody over here is allowed to catch and, in the bargain, to destroy some of our resources, as resources have been destroyed right around the world.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I know the hon members on the government side are calling for the question, but I believe the bill is too important to let it go by without some further debate.

It was not long ago that the countries named in Annex A of this bill rejoiced because President Gorbachev brought in *glasnost* and *perestroika*. How the world rejoiced when finally a leader of the Soviet Union took off the shackles and yokes from the people and said: "Fine, tell us what you want. Tell us what kind of governments you want and what kind of commerce you want." The world cheered President Gorbachev. It even presented him with a Nobel Peace Price.

Thanks to the leadership of President Gorbachev and the western world, the cold war finally came to an end. I was with the Standing Committee on External Affairs and International Trade in East Berlin on May 1 when thousands upon thousands of people crossed from East Berlin to West Berlin and back without even having to show a passport or a visa.

Twenty years ago, I lived in an east European country for a full year. One does not get to know a country by going through the country as a tourist, but I lived in Poland for a full year. From Poland I travelled to Czechoslovakia, Hungary, and all of the countries listed in Annex A—Romania, Yugoslavia and Bulgaria. The only countries we could not visit at that time were the Soviet Union and Albania. I mention this because I think it highlights how far we have come from 1970–71 to 1990–91. Now we are free to travel through most of the Soviet Union republics and even through Albania.

Many of these countries that I have mentioned have had free elections. We remember how many lives were lost in achieving free democratic parliaments.

Some people forget when the Solidarity movement really started. When I lived in Poland in 1970–71, there were the first food riots where 56 people were killed. From that to today, we have come a long, long way.

These countries have now shed communism and elected democratic forms of government. I was in Lithuania when it had its free elections on February 24.

• (1610)

I must say, Mr. Speaker, that Lithuania, followed by Latvia and Estonia, did follow the secret ballot elections. Anyone who wanted to represent a party or run as an independent could run. Their names were on the ballot and people voted. Through secret ballot votes, we now have all these democratic parliaments.

But what has the West done to help these countries with their economic and political reforms? Yes, we have all sorts of programs. For example, the government has assigned $72 million to help Hungary and Poland. We have seen good evidence of farmers coming from there to learn our expertise and techniques in farming. We have had programs in management. We have had programs in teaching English to many of the people in eastern Europe. But I do not think the West has seriously addressed the problems of how these countries can move to a private enterprise economy.

Under Bill C–88, this bank for the restructuring and the development of the central eastern Europe economies is one major way of showing the world that the West is ready to come to their aid.

I have heard even today that maybe we should reconsider passing Bill C–88. When it was at first and second reading, there was no cold war. There was excellent co–operation between the Soviet Union and Canada. That co–operation, sadly, ended a little over a week ago when the Red Army moved in to Vilnius. I was there. I recognized the streets and the buildings that are being attacked by the Black Berets and the tanks, overnight destroying what has taken so long to build.

This weekend, we saw five more innocent people, civilians and journalists, killed. Why? For what reason? The hon. member for Scarborough Centre and I met with about 500 people just this Saturday. There were Canadian representatives from the three Baltic groups and representatives from the countries. There were young people from Estonia, Latvia, and Lithuania. They gave us firsthand accounts of what is happening there. I will save that for the emergency debate that I hope we will have later this day in the House.

I do not share the view that we should not pass this bill. Let us hope that President Gorbachev will get some sense into his head and remove any trace of Soviet armies in the Baltic states so that we can get back to the kind of dialogue we have had.

Was it not nice when President Gorbachev could visit Canada, when our Prime Minister could visit the Soviet Union, and when we could sign all sorts of agreements and co–operate? How beautiful. The world rejoiced. Now, in just two weekends, we have ruined all of this.

I hope that the leaders and the people of the world know that we are all one family on this planet and that somehow we will resolve our differences, work together, and, maybe through a structure such as the European Bank for Reconstruction and Development, we can provide much stronger help to eastern European countries who want to get on their feet again.

There are four million Canadians who are directly tied with central and eastern Europe, so we have a vested interest in helping these countries. I want to thank the

government for accepting our amendment stressing the environmental issues, that when the bank does give a loan the first thing it will look at is this project in keeping with sustainable development. All three parties agreed to that and it is now in the bill, strengthening the bill, again demonstrating to the public how if we all work together we come up with something better. With the three parties working here together, we have come up with a better bill.

We on this side will not stall. We just want to put our comments on the record and support this bill wholeheartedly with a caution to President Gorbachev if he wants this bill to work because the Soviet Union is a donor and can be as well a recipient of this bank. It will be up to him whether he really and truly believes in democracy or going back to Stalinistic types of rule.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I appreciated the speech made by the hon. member. He touched on a lot of fundamental issues regarding this bank. I congratulate him particularly on the amendment touching on the environment.

I had the occasion to go to eastern Europe recently, particularly Croatia and Bosnia-Herzegovina. I saw some of the devastation that has been created by pollution. I was in the city of Zenica which has a huge steel works and coal mines. It is situated about 100 kilometres north of Sarajevo. It has the highest pollution of SO2 in the world. Stalin at that time built this factory for the Yugoslavians and they had no concept of what pollution could do to the environment.

I see how important it is for this new bank and new way of financing having attached a caveat respecting pollution.

I am glad the Liberal Party with the co-operation of the others brought in an amendment which was accepted.

I would like to ask the member a question. As we know, it is the Solidarity movement in Poland that started the ball rolling on a new spirit of freedom in eastern Europe. Because of that I think we have to pay tribute to the Solidarity movement in Poland.

There are still Soviet troops in Germany, Poland, Hungary and Czechoslovakia. If the hardliners in Moscow take over, does the hon. member think that the forums we have been witnessing might be in danger?

Mr. Flis: Mr. Speaker, I welcome the question from the hon. member from Calgary because I know how much he has done to bring closer co-operation and relationship between Canada and some of the east European countries. I know he gets a lot of delegations from the Ukraine and other parts of eastern Europe. He is kind enough to always introduce them to me so that we can get a first-hand report on what is happening there.

Yes, the scary part is with the Soviet troops. I understand there are still 130,000 sitting in Poland and, as we have seen, they are moving into the Baltic states. Is there a hidden agenda? I hope not.

• (1620)

I put at least that much trust in President Gorbachev, that that is not his hidden agenda. The question that arises is whether President Gorbachev is losing control of the army. If he is losing control, and the hardliners are starting to take over and starting to dictate through the army, and the army becomes the ruler, then I have a great fear. That is why this is something we should be monitoring very closely.

On the other side of the coin we see the Soviet Union supporting the United States and the west in the war, trying to get Hussein out of Kuwait. Isn't it great that for the first time in the history of the world since the cold war ended that here is an opportunity for the United Nations to resolve a dispute. It should have been resolved without arms but as we are seeing, it will not be. The allied countries have had to resort to arms. If the United Nations can prove that it can solve problems like this, hopefully allied countries around the world would come together. Even though these Soviet forces are there, by the allied countries all working together, that will not be a threat. That is our hope and I appreciate the question.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would like to draw the attention of the House to the fact that the debate is still on Canada's membership in the European Bank for Reconstruction and Development. The Chair is very patient and very open, but I would appreciate it if hon. members would co-operate by keeping their remarks relevant to the subject of this debate.

Further questions or comments? Resuming debate. The hon. member for Willowdale.

Mr. Jim Peterson (Willowdale): Mr. Speaker, it is a pleasure for me to be able to say a few words in this debate.

Mr. Milliken: The pleasure is ours!

Mr. Peterson: First of all, I want to say that we as a party support the government's proposal to establish a bank for the reconstruction of Europe, of central and eastern Europe.

[*English*]

Let us dwell on the background that has given rise to this development. We have seen extraordinary things coming out of Europe, largely at the instigation of a new policy and a new direction from the U.S.S.R. *Perestroika* and *glasnost* have led to the breaking up of the Iron Curtain. The Soviet Union has given up its hegemony over its Iron Curtain countries.

We have seen something which I never expected would take place in my lifetime. It was East Germany being given its freedom. Within a very short time the Berlin wall came crumbling down, and Germany has now been unified. These political events, I am sure, surpassed the greatest expectations that we could have had about the liberalization of policies in eastern Europe.

We are now asked in terms of this bill, Bill C-88, to establish the European Bank for Reconstruction and Development. We see a bill whereby the European community has come to us, the western European community is going to the world and saying: "Do we not have an obligation to help the eastern European and central European countries make the transition from controlled economics and centrally-planned economies to market economies so that they can take their place in the new global community?"

I can unhesitatingly say yes, we do have that obligation.

For years after the Second World War, we have seen how the reconstruction took place. Bretton Woods was an example of how the world community came together and established the International Bank for Reconstruction and Development and the International Monetary Fund.

But that was not enough, because a devastated Europe was regarded by the Americans as a drawback to the flourishing of the economies of all of us. It was under the generous Marshall plan and the even more generous act of the United States in establishing funding for our allies in Europe to re-establish themselves that we were able to see them start to prosper and as a result we, in North America and other parts of the world, benefited too from the expanding trade and prosperity that was won.

That was really the start of the global economic village where we realized that there is no country that can be continually prosperous unless the world is prosperous as a whole.

But we have failed miserably following the Second World War in terms of bringing along the countries of the south, the Third World countries. We did not have plans addressed to assist them in the same way we dealt with our former allies. As a result, many Third World countries, countries of the south, have gone backward in terms of their per capita income and their standards of living.

We are seeing now a devastation in terms of drought, hunger, famine and death. In the Sudan alone, up to eight million people in the south are now facing the threat of starvation. When our collective efforts have been directed, they have worked. The shame is that we have not taken these collective efforts to all people on our continually diminishing globe.

Let us return now to the situation in central Europe. As my colleague from Parkdale—High Park and as many other speakers have pointed out, we do have an obligation to work with these new economies to help them become viable. It is in their interest and it is in our long-term interest not only in terms of the politics of the moment, but in terms of building strong economies so that we all will prosper, as the Marshall plan indicated we would, by helping out our former allies.

Through Mr. Gorbachev's enlightened policies, he has made their emergence as countries possible. He does not have the economic means to ensure their prosperity. As a matter of fact, we are now seeing a falling back in the Soviet Union itself of Mr. Gorbachev's progressive policies as hardliners say to him: "*Perestroika* is not working. We must return to the old ways."

This is the dilemma we face, because the western world wants to see the Soviet Union and its former Iron Curtain allies turn the corner economically. We are faced with a problem, and I faced this problem—the

world did—a couple of years ago with the People's Republic of China. We wanted to see the one billion people in the PRC come out of the dark ages and develop their economy in such a way that it would be constructive, and its people could prosper and enjoy better standards of living.

Then, we were faced with the terrible political realities of Tiananmen Square which have set back western efforts to invest, to deal with and to support a regime which is so repressive.

What we have seen as well in the Baltic states gives us great cause for concern. The repression of the free expression of the people in the Baltic states of their political rights of self-expression and self-determination has been met by armed aggression. This gladdens the hearts of none of us because we had hoped that *perestroika* would be an ongoing process in which we could participate through an institution such as the European Bank for Reconstruction and Development.

• (1630)

Now we find ourselves torn. We have to send a message to the Soviet Union that its actions are not acceptable to Canada, that human rights must prevail, that force is not the way to deal with the free expression of ideals by the people in the Baltic states. How do we send that message to the Soviet Union and at the same time vote for Bill C-88, which does have as part of its objects aid to and the participation of the U.S.S.R.?

That is the dilemma we face on all sides of the House. This is not a political issue. My feeling is that it would be retrogressive at this time to say we will not support the construction of this bank because, after all, it is to aid many countries: Poland, Yugoslavia, Hungary, and Bulgaria. East Germany, which is now part of Germany, will probably be looked after on a bilateral basis now by Germany itself. We have an obligation to help these countries to develop their own self-sufficiency in their new market economies.

I believe in good conscience we can do so. We can pass this bill. Let us at the same time send a very strong message to the leadership of the U.S.S.R. that its actions in the Baltic states are not condoned. If we were not to support this bill just because of the actions of one of the members of this bank, I believe we would be setting back the cause of progress in many other countries which are so important to us.

While it is with a heavy heart we recognize that *perestroika* is not working in the way we had hoped, let us support this bill because it is the way of the future. Let us learn from Bill C-88, the bill to establish the European Bank for Reconstruction and Development, that our efforts do not lie with central and eastern Europe alone.

Let us take from this further effort and incentive to enhance the efforts of other development banks: the African Development Bank, the Asian Development Bank, and the institutions in Latin America. Let us ensure that we play our full role in the industrialization and development of the countries of this world where we must be ashamed of the level of life we accept as being normal for them.

Let us use this as an example to re-examine the fundamental hypocrisy of each of us as parliamentarians on all sides of this House and, yes, of all Canadians when we say that life is sacred, that we are aroused beyond all belief when we see people being killed by armed aggression—and we should be—but the number of people who die in this world daily from starvation, malnutrition, lack of medicine and lack of the very basics of life is far greater than those who die in a year through armed aggression.

Let us, in supporting this bill, recommit our faith to the collective obligation of all of us who are privileged to help those who are not. We are not only helping them. We are helping to build a better world order which will help us. Let us recommit our dedication to helping all people in this world.

Some hon. members: Hear, hear.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, sitting next to my colleague, I cannot help but learn about his keen, keen interest in fighting human rights violations around the world. I know the member has demonstrated that, whether those human rights violations are in the Middle East, somewhere in Asia, eastern Europe, or right at home. I was pleased that, even with this passion for fighting human rights violations, he is still supporting this bill.

Canadians are becoming concerned that we are making donations and grants to other parts of the world and maybe we should be looking after the state of our own economy at home. Knowing his expertise on the finance committee, would he mind sharing with this House how

he sees the investment that Canada is going to make to this bank? Does he see it as a hand out, as a grant, or does he see it as an investment which might benefit Canadians in the future?

Mr. Peterson: Mr. Speaker, I appreciate the question from my hon. colleague from Parkdale—High Park.

This bank is being capitalized with $12 billion. Some 51 per cent of the contribution and the control is going to the European Community itself. This was the creation of the government of François Mitterrand. Then the European Community put it on its agenda at Brussels a year ago last December. Canada's contribution could be up to a total of $460 million. I do not think we will ever be called upon to put in that amount of money, as our initial commitment is $5 million.

The bank is going to use its equity base, contributed by all of its member countries, to go out and borrow on the market. It is going to try to enhance free enterprise in central and eastern Europe by making loans available to private enterprise. Its primary objective is to devote 60 per cent of its funds, the equity that is contributed, and, on top of that, the funds it is able to borrow in world financial markets to promote industries that have a chance of making it.

We have seen a vast enhancement of the ability of these formerly communistic centrally controlled economies to absorb foreign investments. In 1988 there were only 165 industrial joint ventures in these countries. Within one year, under *glasnost* and *perestroika*, the interest in investing had increased so that there were 2,100 joint ventures.

I think a joint venture is an ideal way to go into a newly emerging economy where they do not have the history of a free market and private enterprise which may exist in other areas, but where they do have a strong record of state control and co-ordination. Then there is the transition of the state working with private entrepreneurs, to bring to change what has always been 100 per cent state control toward what in other parts of the world has been 100 per cent free enterprise. One can bring together the best ingredients of both to create the transition and to make these enterprises work. This is why I feel, in terms of the 60 per cent that is to go to investments in the private sector, we have a good chance of using joint ventures to help make the transition.

• (1640)

It is expected as well, in response to my hon. friend from Parkdale—High Park, that 40 per cent of these funds will have to go to build up state infrastructure. After all, we cannot have viable enterprises and industries in the global economic community unless we have an infrastructure: communications, transportation, et cetera. We have to build up the institutions that service industries, financial institutions as well.

I believe they have set what is probably a realistic target in terms of what we will have to invest in the basic infrastructure of these countries in order to produce the economic viability necessary to develop in these new economies.

As I see these investments going ahead, I see Canadians with their expertise in construction, communications, and transportation playing a major role in going in there, in investing, in providing expertise, and in creating jobs in Canada to build the necessary products to help them develop.

This is not just a giveaway. This is an investment in other countries, but this is also an investment in Canadian entrepreneurs. Over the long term it is truly an investment in a more prosperous global economy from which we will all be the ultimate beneficiaries.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I want to say at the outset that I have listened with interest to the comments of my hon. colleague from Willowdale and others, including the hon. member from Winnipeg Transcona. I must say the tone of the debate, the points being raised, indicates a considerable amount of enlightenment on behalf of members of all caucuses in terms of the potential role Canada can play. I want to congratulate my hon. friend on a number of proposals and suggestions he has just made. I must say, if I heard correctly, I pretty well agree with everything he said. I would like to take it a little further than that, but again my compliments go out to all previous speakers.

We first heard of this proposal back in 1989 by François Mitterrand, the President of France. He said, at a session of the European Parliament, that something had to be done in terms of industrial nations to assist countries which were being dramatically changed in central and

eastern Europe as a result of *perestroika* in the Soviet Union and the spin-off into the eastern European countries.

I can remember—and I remember you too, Mr. Speaker, sharing that delight—the coming down of the Berlin wall, the announcements flowing daily from President Gorbachev in terms of his view of the changing world, the move to democratization, the movement from some state enterprises toward a free market system, the recognition of the value of a mixed economy, and that the reception that received in the western world, particularly in western industrialized nations, was most positive.

Immediately we thought: How can we help? I remember thoughtful discussions with my colleagues as to ways and means that Canada could participate in assisting the countries of central Europe as they changed their economies and moved through this very difficult transition period, not only economically but, as someone like yourself would appreciate, Mr. Speaker, the social, cultural, and political implications of these dramatic changes. We are pleased.

We are not so pleased with the lack of progress in terms of economic reforms, particularly in the Soviet Union. But recognizing that there are conservative forces in the system there rallying against these dramatic changes and trying to cling to the old ways, the *status quo* in the Soviet Union, we abhor that position and look for more liberal approaches in terms of liberalizing the economy and the life of the average Soviet citizen. This whole debate on Bill C-88 is put in a peculiar context with the developments in the last number of hours in the Baltic states. We have witnessed the oppressive initiatives taken by Soviet troops, both in Lithuania and Latvia and recognize the growing democracy and the call for self-determination of the Baltic states. It was with heavy hearts that we watched on television the activities of the Soviet troops against the citizens of those two Baltic states.

I must say that it brings up this question: are we enthusiastic now about using Canadian taxpayers' dollars as a result of our participation in this European Bank for Reconstruction and Development, knowing that these funds will go to the Soviet Union at the same time when this abuse of human rights is occurring, not only in these two states, but elsewhere. But I am referring particularly to the coverage that we have received in the last number of hours of very sad activities going on in the Baltic states.

I suppose they pale in comparison to the brutality and the unbelievable horrors of war that are unfolding in the Persian Gulf, but I will let that stand aside for now. It will be an ongoing debate, of course, the next little while. We all hope and pray that that horror show will be short and peace will come soon.

The bank, as I indicated, comes from the initiative proposed by the French President, François Mitterrand, during the 1989 November session of the European Parliament. Its headquarters will be located in London, and the first president of the bank will be Jacques Attali from France. This agreement that we are discussing today from a Canadian perspective will be ratified by the end of this fiscal year, meaning March 31. We should also recognize that Canada is, I would not say a relatively small player, as we will be contributing $479 million of the bank's capital—which of course, Mr. Speaker as you know, will ensure us a seat on the board of directors, which is appropriate—in a total bank fund of $15 billion Canadian. That will come to, as the statistics indicate, something like 3.4 per cent of the bank's capital.

Again, Canada will not be a major player but an important player. Speaking on behalf of the New Democratic Party, we feel that, yes, we ought to be involved; yes, Canada has much to offer. That is not to say we do not have some concerns.

We registered our concerns in committee, particularly about Article 11 which sets out the methods of operation. I think because of this important aspect I want to read a few of the points from the legislation into the record. Before I do that, let me indicate my concern that this tremendous shift from an economy based on Stalinist bureaucracies into something that more closely resembles the reality found in other social democratic countries, other socialist countries, other capitalist countries, is something that I think we all support enthusiastically. We recognize that the transition is long overdue and we want to be behind it. However, let us not get caught up so enthusiastically that we end up hindering the transition towards a mixed economy in the eastern European countries and in the Soviet Union.

When we look at the methods of operation we wonder if in fact we are not tying one arm behind the back, so to speak, of these countries as they move through this difficult economic and social transition period. I have noticed with considerable interest the various reports

coming out of some of the descriptions of the IMF and World Bank funding of certain projects throughout the world and how that may in fact be almost ideologically restrictive and putting ideological blinders in terms of how those funds may be invested. I certainly do not want to see us being part of that restricting of funding. I want to read a couple of points. Article 11, under *Methods of Operation*, of Bill C–88 reads:

> That the Bank shall carry out its operations in furtherance of its purpose and functions as set out in Articles 1 and 2 of this Agreement in any or all of the following ways:

• (1650)

I am sure I do not have to go through Articles 1 and 2; all of us are more than familiar with those aspects of the legislation. Article 11 goes on to state:

> (i) by making, or cofinancing together with multilateral institutions, commercial banks or other interested sources, or participating in, loans to private sector enterprises, loans to any state–owned enterprise operating competitively and moving to participation in the market–oriented economy, and loans to any state–owned enterprise to facilitate its transition to private ownership and control; in particular to facilitate or enhance the participation of private and/or foreign capital in such enterprises;

It is perfectly clear, in terms of what we are asking of this legislation. I look with interest at my hon. friend, the hon. member for Kingston and the Islands, who is nodding that if there is one thing that is clear, it is obviously this particular paragraph.

However, I have a concern, Mr. Speaker. When the bill indicates that by making, or cofinancing together with multilateral institutions, commercial banks or other interested sources, or participating in loans to private sector enterprises, loans to any state–owned enterprise operating competitively, the question is that we have an appreciation of the operation, competitively, when it comes to determining whether a firm is able to apply and be a recipient of financing. Our view of operating competitively during this transition period, in terms of state owned enterprises, may be somewhat different from their own.

I submit that we ought to be as open as possible during this time to encourage, yes, a move to profitability when it makes sense, in terms of some of the state–owned enterprises but, again, to also recognize that the period may be somewhat lengthy, that the transition may be somewhat longer than what we would tolerate in our own market–oriented economy and, that we must be willing to be flexible in terms of providing that kind of support.

Article 11 goes on, and I quote:

> (ii)(a) by investment in the equity capital of private sector enterprises;
>
> (b) by investment in the equity capital of any state–owned enterprise operating competitively—

And, again, Mr. Speaker, just in parenthesis, I want to add, once again, let us be open to the definition of competitiveness, particularly during this very difficult transition period in the central and eastern European countries and, particularly, the Soviet Union. I see, Mr. Speaker, you have a puzzled look on your face.

During this time when Mikhail Gorbachev is under a great deal of pressure, in terms of the successes or lack of successes of his initiative to *perestroika*, I think that anything we can do to facilitate the successful development of the Soviet economy, to provide assistance and to encourage power not to shift into the more conservative, military–aligned power base in the Soviet Union, would be not only an investment in our future as a western country but, indeed, in terms of the world itself, to do whatever we can to stand behind those progressive initiatives that, in very difficult times, he is attempting to introduce. I simply set that aside again from the comments on competitiveness of state–owned enterprises.

I want to go on because I believe it is important. We are talking about investment in the equity capital of any state–owned enterprise operating competitively and moving to participation in the market–oriented economy, the investment in the equity capital of any state–owned enterprise to facilitate its transition to private ownership and control, in particular, to facilitate or enhance the participation of private and/or foreign capital in such enterprises. And to go on, Mr. Speaker, the bill reads:

> (c) by underwriting, where other means of financing are not appropriate, the equity issue of securities by both private sector enterprises and such state–owned enterprises referred to above.

It is referring particularly to the state–owned enterprises operating competitively. This obviously is a critical part of Bill C–88. I was going to refer to other sections of

the legislation. The continuation of Article 2, when it talks again of the purposes of this article, that state-owned enterprise shall not be regarded as operating competitively unless it operates autonomously in a competitive market environment, and unless it is subject to bankruptcy laws.

Again, it makes the point that during this difficult transition period when state-owned enterprises must operate competitively by operating autonomously and in a competitive market environment, that transition is not going to be an easy one. Therefore, it is in our best interest to assume these definitions very loosely.

I see this as an excellent opportunity for Canada to play a role in supporting and developing the eastern economies during this difficult transitional period.

There is much more, of course, that Canada could be doing. I do not have to tell members of Parliament that our aid and our support is required, not only in this part of the globe but, of course, in many other parts. I refer particularly to places such as Ethiopia, Sudan and areas of that part of Africa that are experiencing famine conditions where we ought to be doing, in my estimation, significantly more in not only alleviating the immediate concern in terms of hunger, but, of course, in terms of aid that will really assist those countries which would have to have us move away from some of the tied aid that we are involved with presently in not only that part of the world, but almost all parts.

In conclusion, I want to say that we support the general thrust of this bill with a number of very serious reservations. I do hope that the reservations of those who spoke before me, both in committee as well as in this debate, are considered by the government as we move to play our role in the hope of making it a most meaningful role in the economic reconstruction of eastern Europe, including the Soviet Union.

I would be remiss if I did not say that there are so many other ways that we can also be helpful, other than simply participating in this reconstruction bank. I look forward in the future to participating in those debates and in those committee discussions where in fact there will be wide ranging discussion of the future role of Canada in developing the economies of these countries.

BUSINESS OF THE HOUSE

ADJOURNMENT OF THE HOUSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, there have been what can only be described as extensive discussions on all sides of the House. I believe you will find consent for the following motion.

I should indicate to the Chair that I have another motion to follow this one. This is the first motion:

> That, upon disposition of Government Business No. 27 respecting the Persian Gulf Crisis on Tuesday, January 22, 1991, at 6.00 p.m., the House shall stand adjourned to the call of the Chair;
>
> That, during such adjournment, combined meeting of the Standing Committee on National Defence and Veterans Affairs and the Standing Committee on External Affairs and International Trade may be held five days per week to provide briefings on the latest situation in the Persian Gulf. These meetings being open to all Members of Parliament, accredited members of the press gallery and the general public, subject to House of Commons security requirements; and that at any time this said committees request the Speaker to recall the House, it shall be called back into session as soon as practicable; and
>
> That the usual provisions of Standing Order 28(3) shall also apply during such adjournment, except that the House may be called back into session with at least a 12 hour notice and the usual requirement for a 48 hour for motions shall be waived to allow the House to begin debate on any government motion pertaining to external affairs and defence, provided that at any time the Speaker may recall the House for the sole purpose of granting Royal Assent to any Bill or Bills, after which the House shall stand adjourned in accordance with this Order.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I can confirm that there have been negotiations among the parties. I have two questions I want to put to the parliamentary secretary to clarify the proposal.

First, I take it that when the motion says that these meetings would be open to all members of Parliament, accredited members of the Press Gallery—and I want that assurance—that means television could be part of those deliberations and that the availability of that signal to broadcast those proceedings will be available to those wanting to pick it up, but under the usual rules of the House of Commons.

• (1700)

My second question to him is this. I know the nuance between calling back the House in 12 hours and Standing Order 28(3), which gives us 48 hours' notice. I want to make it clear that the only reason for the 12 hours' notice provision is to give the government a chance to call back the House to discuss any issue dealing with defence and external affairs, but nothing else. On any other occasion, the government would have to use the regular Standing Order 28(3) which would require 48 hours' notice. Can he confirm that for me?

Mr. Cooper: Mr. Speaker, may I indicate to my hon. friend that, yes, by accredited we do mean that to include the television or electronic media people and the television cameras. Our goal, I might add, is that all members of the House— independents, and members of the Official Opposition, the opposition and the government side—have an opportunity to participate in this committee and to satisfy themselves that they are fully briefed.

Of course, the 12-hour provision is because of the situation with which all of us are faced. We, as parliamentarians, are watching very closely. We want to make sure that that 12 hours means that we can call the House back quickly in the event that there is some sort of an emergency or crisis arise. It just allows us to come back very rapidly, rather than the usual 24 hours.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I am pleased that the Parliamentary Secretary to the Government House Leader has indicated that full media coverage will be available on a daily basis, that all members of Parliament will have an opportunity to sit in on those meetings, and that the parties will have an opportunity to ask the appropriate questions.

It seems to me that the 12-hour recall in a sense puts us on an almost immediate recall, that is, if anything happens of significance in terms of the Persian Gulf war that the House would be recalled. I am sure that means at the request of the committee, as well.

With regard to the question of the eventual recall of the House, I am assuming that the government still plans to introduce its budget and throne speech before the end of February. I also understand that the leaders will have an opportunity to make some comments prior to the six o'clock vote tomorrow. Could the parliamentary secretary confirm that, please?

Mr. Cooper: Mr. Speaker, yes. First, the televising of the committees should be under the usual rules of the House of Commons. All of us understand that.

Second, in terms of the budget, the throne speech, and that sort of thing, the last I heard was that the Minister of Finance still intended to have a budget this year. I am sure that will be the case. Obviously, I cannot give the hon. member the dates, but our intention would probably be sometime in the latter part of February. Of course, I have to have confirmation of that from the Minister of Finance. I would not want to pre-empt him in any way.

In terms of the hon. member's question regarding the participation of representatives of the three parties, that would be the second motion that I am prepared to deal with in a matter of moments, as soon as we have agreed to this one.

[*Translation*]

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. DeBlois): The hon. member for Calgary Northeast, on a point of order.

Mr. Kindy: Mr. Speaker, I wish to confirm that the parliamentary secretary has consulted the independent members. We are prepared to co-operate, and this motion has our consent.

[*English*]

Mr. Riis: Mr. Speaker, I think the provision that the standing joint committee sits is an appropriate one.

I simply want to get some assurance from my hon. colleague that, for the daily sessions, whenever possible—we recognize the limitations on the Secretary of State for External Affairs and the Minister of National Defence—either of these two individuals, or at least some senior cabinet minister, would make every effort at least to be in attendance during the committee sessions.

Mr. Cooper: Mr. Speaker, as I indicated in my earlier remarks, the intention that we, as a House, have with this committee is to make sure that all members of the House and the public in general have every opportunity to be fully briefed.

It is our intention—I use the words "whenever possible"—to have senior cabinet people and senior officials available. I think the House will understand that, from time to time, with the situation in which we find ourselves, it is difficult to predict ministers' schedules or particular officials' schedules.

I want a signal in the strongest possible terms that it is our intention to make sure at every opportunity that we can provide the best and fullest briefings possible.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

MOTION TO ADJOURN PURSUANT TO S. O. 52

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, just before proceeding with this second motion, I want to indicate that there have been discussions among the various representatives of the parties in the House of Commons.

There is a willingness on the completion of this motion that there will be an emergency debate, from the hours of seven o'clock to ten o'clock p.m., regarding the situation in the Baltic states. We have had those discussions and, if that were to meet with the satisfaction of the Speaker, we would certainly be more than willing to co-operate on that.

The motion is as follows:

> That, upon completion of the emergency debate on the situation in the Baltic States, the House shall adjourn until Tuesday, January 22, 1991, at 5:00 p.m., at which time one representative from each party shall address the House on Government Business No. 27, respecting the Persian Gulf crisis, for a period of not longer than 15 minutes each, after which there shall be a 15 minute bell followed immediately by a division on Government Business No. 27.

I should indicate that those addresses by the three party representatives would be for a maximum of 15 minutes.

The Acting Speaker (Mr. DeBlois): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

Mr. Gauthier: I rise on a point of order, Mr. Speaker. In the interest of good order in the House, would the Parliamentary Secretary to the Leader of the Government be in agreement with me that after Bill C-88, there being no further speakers on that bill and that bill having been adopted, that he would comply with the usual practice of allowing members to prepare for their speeches tonight and suspend the House until seven o'clock?

Mr. Cooper: Mr. Speaker, I would like to indicate that, in fact, yes, if Bill C-88 were to be passed on division now, then we would be quite happy to suspend the House until seven o'clock for the emergency debate.

* * *

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AGREEMENT ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development, be read the third time and passed.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois) I declare the motion carried on division.

Bill read the third time and passed.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to suspend the proceedings until seven o'clock?

Some hon. Members: Agreed.

The Acting Speaker (Mr. DeBlois): The proceedings are therefore suspended until seven o'clock.

At 5.08 p.m., the sitting of the House was suspended.

AFTER RECESS

The House resumed at 7 p.m.

MOTION TO ADJOURN UNDER S. O. 52

[*English*]

BALTIC STATES

ACTIONS OF U.S.S.R. GOVERNMENT

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 52, the hon. member for Parkdale—High Park has obtained leave to move a motion for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the situation in the Baltic states.

[*Translation*]

Mr. Jesse Flis (Parkdale—High Park) seconded by Mr. Alex Kindy (Calgary Northeast) moved:

That this House do now adjourn.

The Acting Speaker (Mr. DeBlois): I may add that under the provisions of Standing Order 52, each member has the floor for a maximum of 20 minutes and there is no period for questions and comments.

The hon. member for Parkdale—High Park.

[*English*]

Mr. Flis: Mr. Speaker, first, I congratulate you for having the wisdom to grant the House leave to debate this important crisis in one part of our world. I thank all parties and Independent members for agreeing to such an emergency debate on the crisis in the Baltic states.

Everyone thought that World War II ended on September 2 when the Japanese surrendered. Well, it didn't, because World War II continued. First, Hitler and Stalin occupied three countries under the Molotov-Ribbentrop Pact. With a stroke of a pen, they occupied three countries.

How does that differ from another country, such as Iraq, invading Kuwait? This one was done by military might, the other one was done by the stroke of a pen. In both cases, sovereign countries got their independence taken away. World War II continued, in a way, because the Baltic states did not accept that. Most of the western countries did not accept that annexation.

There were partisan military actions by Lithuanians and the others, hiding in the bushes, disrupting communications for the Soviet Union, and making life miserable for the Soviet army. But it did not stop there. It stopped for a period and then, of course, we saw the demonstrations. We actually saw 50 years of continuations of some aspects of World War II.

Then came the bloody crackdown a week ago in Vilnius, for no apparent reason. The reason, according to some sources, is because the young men refused to be conscripted into the army. Most of those men, I am sure, would welcome joining the army to defend their country, but not joining the Soviet Union to defend another country. If the Soviet Union Army orders these young men from the Baltic states to invade any of the Baltic states, they would be shooting at their own parents. They would be shooting at their own brothers and sisters. So I cannot blame the young men who are refusing to join the Soviet Army. They are very willing to join the Estonian, the Latvian, and the Lithuanian armies, but not the Soviet Army. This was not the real cause. I think, President Gorbachev or whoever gave the order to move in the tanks found that as an excuse.

What was the reaction around the world when Gorbachev decided to move tanks and troops into Vilnius, the capital of Lithuania? The reaction was swift and the reaction was strong from around the world.

At a meeting that the hon. member for Scarborough Centre and I had with about 500 Baltic Canadians on Saturday, they praised the Canadian government for acting so quickly. Canada was one of the first parliaments to bring in an all-party resolution condemning the actions of the Soviet Union in this crack-down.

But there was immediate reaction from the United States. *The New York Times* quotes President Bush as saying:

> We condemn these acts which could not help but affect our relationship—I ask the Soviet leaders to refrain from further acts that

might lead to more violence and loss of life. I urge the Soviet Government to return to a peaceful course of negotiations and dialogue with legitimate governments of the Baltic states.

Then, of course, this question came up: Should the summit between President Bush and President Gorbachev take place? I hope it is not cancelled, but postponed or suspended until such time as the Soviet Army is withdrawn from the Baltic states.

What was the reaction of the European Economic Community? *The New York Times* states:

The European Economic Community condemned Moscow's violent crackdown, warned that the $1 billion in economic aid promised to the Soviet Union might be suspended, and demanded an explanation from Moscow indicating which authorities ordered the troops to fire on unarmed civilians.

Then, country by country, they expressed their condemnation, but I will not have time to quote the condemnation of each country.

In eastern Europe, Czechoslovakia called for consultations with Poland and Hungary and stated that it foresaw the discussion of joint action, including withdrawal from the Warsaw Pact.

Just this weekend, I learned that the Government of Poland has accepted Lithuania's government, should it have to go into exile. Poland knows what it is like to achieve its independence. Lithuania, an independent country, should not have to fight for its independence. If, as a last resort, the Landsbergis government has to operate from outside of Lithuania, that government has been assured that there is spot for the government in exile in Warsaw. This is the kind of co-operation and reaction we are seeing from around the world.

Getting back to Canada's reaction, on January 9 I wrote a letter to the Secretary of State for External Affairs also asking that he condemn this action and that he call in the Soviet ambassador. I want to thank him now—I see him sitting here—that he did call in the ambassador to explain the actions of the Soviet Union.

The Prime Minister sent a letter to President Gorbachev warning President Gorbachev that unless such action stops, this may harm future relationships between our two countries. We all received press releases about that letter.

• (1910)

Of course, in the House we passed the all-party resolution. I must say that, when the hon. member for Edmonton Southeast, the hon. member for Scarborough East, and myself paid a visit to the Soviet ambassador, what seemed to irritate him the most was this all-party resolution.

The ambassador accused us of not being objective and fair, but we assured him that we were very objective and very fair, and that we will not stop our pressure and our actions until such time that the troops are withdrawn and until such time that the Soviet Union sits down and starts talking to the Baltic states.

We asked the ambassador, what is the bottom line? How can we get Lithuania, Estonia, and Latvia talking to the leadership of the Soviet Union? I was a little shocked to hear the ambassador go back almost to square one. His response was that they had a new constitution, so the first thing the Baltic states must do is hold a referendum. After the referendum, there will be a five-year waiting period with negotiations, et cetera. After five years, they might then might achieve their independence.

I throw in the word "might", because after five years there is still no guarantee that the Baltic states would actually achieve their independence.

When our external affairs committee was visiting the Soviet Union, the officials from the Soviet Union were trying to tell us that the Baltic states, if they want to secede, must pay back everything that the Soviet Union invested in the Baltic states, such as the infrastructure, et cetera.

I would say that the Baltic states are probably very willing to pay back anything the Soviet Union invested in the Baltic states, but, first, I think the Baltic states should present a bill to the Soviet Union and insist that the Soviet Union pay back everything that it raked from those three countries. Let them pay back the families that they sent to Siberia. Let them pay back for the families who did not return from Siberia. Let them pay back for the properties they stole from the Baltic people. I am sure they would find that they owe more to the Baltic states than the Baltic states owe the Soviet Union. To me, that is an argument.

During any talks that we have had with representatives from the Baltic states, including President Landsbergis,

President Godmanis, and all the representatives who were here from Estonia, they said: "We want nothing more than to sit down with the Soviet Union representatives to negotiate a peaceful settlement."

Being in Lithuania for the free elections on February 24, I do not think we could find a more peaceful people, with peace as their whole attitude, than the people of the Baltic states. They do not want war. They want to settle this peacefully, but no one is talking to them because they keep going back to the line: We have a constitution. They must secede following the constitution. The elections of February 24 were held prior to the constitution being adopted.

On the referendum issue, the Baltic states are asking why they should have to hold a referendum asking people whether they want independence. They have been independent countries all along. By agreeing to a referendum, they would be telling the Soviet Union and the world that they are not independent. This is like asking Canadians to have a referendum on whether we are a sovereign, independent nation.

This is where the two sides seem to be hung up. Maybe this is where Canada can play a vital role in trying to get the two sides together to try to break this stalemate. The Soviet Union will not talk until the Baltic states hold their referendums. The Baltic states say recognize us as independent countries and let us negotiate. There is a big role here, perhaps, for Canada to play.

I am trying to explain why the stalemate. Anyone we talked to, whether it was in the Soviet Union, with the external affairs committee or representatives coming here, the message we got was that the governments of the Baltic states want to negotiate.

The other thing of which I might just remind President Gorbachev is that I did not see the elections in Estonia and Latvia but I witnessed the election in Lithuania. Is that not a referendum, when people elect their own Parliaments, when every party, and every independent candidate can run in the election? The people have spoken. They have elected their own democratic Parliaments. How can the Soviet Union now try to take those freely elected Parliaments away from them? This is what it is trying to do in Lithuania and, this weekend, in Latvia and next weekend, I hope it is not Estonia. But because the world is speaking up, let us hope the Soviet Union will not attempt the same scenario in Estonia. The way it is going, it seems that that is its strategy, next weekend Estonia, two weekends from now back to Lithuania and Latvia and repeat the whole cycle. I hope that is not its strategy.

In meeting with the Baltic community, our parliamentary group on the Baltic states, has been getting very clear messages as to what the Baltic Canadian communities want. I am not saying this, Mr. Speaker, this is from the Lithuanian–Canadian community which asks the Canadian government to take the following actions in the wake of the brutal crackdown in Vilnius by the Soviet army: (1) impose sanctions on the U.S.S.R. until it withdraws its tanks and paratroopers from Vilnius and enters into negotiations with the legitimate Government of Lithuania; (2) immediately accord diplomatic recognition to the democratically–elected Government of the Republic of Lithuania, led by President Vytautus Landsbergis; (3) introduce a Canadian resolution in the United Nations condemning the Soviet aggression and to push for an emergency meeting of the UN Security Council in order to debate the Baltic crisis; and, (4) call a special meeting of the Conference on Security and Co–operation in Europe to condemn the assault on Lithuania as a threat to the peace of Europe. That came from the Lithuanian community.

And this weekend, in the meeting we had, the Latvian community put forward four proposals that it would like our Parliament to address. It calls upon the Canadian government to: (1) immediately cease all assistance to the Soviet Union and impose trade and economic sanctions; (2) call an emergency debate in the House of Commons. We met that request, that is what we are doing tonight. The third proposal was: to call on the United Nations to send observers to the Baltic states. I would like to enlarge upon that one. The Baltic Canadians were saying that they wanted the United Nations to send observers but they were saying that they would also like this Parliament to send Canadian observers. They had the experience of having Canadian observers over there before and they are requesting that our government send Canadian observers to observe what is going on now. Their feeling is that if there are international observers now Gorbachev will think twice before flying in the Black Beret paratroopers. Fourth, continue to raise the Baltic issue at the Conference on Security and

Co-operation in Europe by stressing that Soviet actions will continue to threaten the peace of Europe until democracy is restored.

• (1920)

The Estonian community makes the same requests. If you look at the requests from the Lithuanian and Latvian community, the Estonian community requests would be quite similar.

Thank you again, Mr. Speaker, for allowing us to have this emergency debate. I said this before and I will say it again in this House: there are two crises facing us, one is the Iraqi crisis, the other is the Baltic crisis. The world rejoiced when the cold war came to an end. Let us remember how much money was wasted on arms because of the cold war. Now we can save that money and put it toward feeding the poor, providing better housing for our people. If this crisis is not settled, we are going to go back to another cold war period where east and west are going to be building up arms, east and west will stop trading with each other and stop talking with each other.

Mr. Speaker, no one in this Parliament, or in any parliament around the world would want this.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I would like to thank the Chair for having allowed this debate to take place. As well I would like to thank the member for Parkdale—High Park and the member for Winnipeg Transcona for raising this important issue in this House. I think it is an all-party issue.

The Prime Minister of Canada on January 13 sent a strong message to Mr. Gorbachev to live up to his promise of opening the Soviet society, and opening the Soviet society to the world.

I would like first to quote what was written about the tough line of Mr. Gorbachev on republic sovereignty in *The Globe and Mail* of December 10. I quote:

> Was it only coincidence that Soviet authorities chose to crush the 1956 Hungarian uprising while the Western world was preoccupied with the Suez crisis; or that Stalin sent his tanks into the Baltic states the day the Nazis marched into Paris?

He doesn't think so. Nor does he believe it is a mere coincidence that while the rest of the world focuses on the potential war in the Persian Gulf, Soviet President Mikhail Gorbachev appears to be preparing to crush the independent movement in the Baltic and other Soviet republics.

I think what is happening today is a tragedy. This is the anxiety that Canadians and people elsewhere in the world have today. If you look at the development in the Persian Gulf, the American Armed Forces have over 450,000 people there. They have withdrawn armed forces from Europe and from elsewhere to send to the Persian Gulf. During that period the Soviet Union is cracking down on the Soviet republics in the Baltics.

I have been to the Soviet Union on five occasions. When I was there in the fall of 1989, I could see that changes were beginning to occur. The Soviet Union was opening up. They were debating the market economy, having democratic elections and so on and so forth.

What is happening now? It seems that the hardliners are slowly taking over in the Soviet Union. Mr. Gorbachev seems to be acting on somebody else's behalf.

Coming back to 1989, when I was returning from the Soviet Union, while stopped in Vienna, I picked up a German newspaper. In that paper I read that the Archbishop of Austria was telling the Austrians and the world to pray for Mr. Gorbachev because he was the man who was opening the Soviet society to the world. They had acknowledged the atrocities that had been committed by Stalin during the 1930s against the Baltic nations. That archbishop was telling the world to pray for Mr. Gorbachev.

We saw during the period that followed the opening of the Soviet Union to the world. The Soviet Union allowed the unification of West Germany with East Germany. They allowed a democratic process in Czechoslovakia and Hungary. There was a spill-over effect into Yugoslavia where they were having free elections in Croatia, in Bosnia-Herzogovina and other parts of Yugoslavia.

We saw what happened to the regime in Romania. All this was as a consequence of Mr. Gorbachev's actions.

I went back to the Soviet Union just last year, again in the fall. I was amazed by the openness that was prevailing, especially in the Ukraine and Baltic states. They had had democratic elections. People were talking about the market economy. I had the pleasure and honour to speak to a regional parliament in the Ukraine. It was like here, everybody was able to express themselves. At the same time, other phenomena were occurring. There were

shortages of food and other commodities in the Soviet Union and in the Baltic states.

My understanding is that the conservative forces, conservative in the sense of those who wanted to maintain the old regime, were sabotaging the reforms of the progressive people who were surrounding Mr. Gorbachev. You could almost feel that if help was not forthcoming from the west, the conservative forces in the Soviet Union, the communist forces, would take over. I am afraid that this is what is slowly happening. The intentions were excellent. We have to pay tribute to Mr. Gorbachev to have wanted something to happen but, at the same time, people like Mr. Yeltsin are already saying other forces are at work.

• (1930)

I would like to quote from *The Ottawa Citizen* of today. An address from Mr. Yeltsin was read to 300,000 people in Moscow who were supporting the democratic process. Mr. Boris Yeltsin warned of dictatorship unfolding in Russia. When he talks about Russia, he talks about the Soviet imperialist powers. He is not talking about Russia itself, because Mr. Yeltsin is the President of Russia. He is not the President of the Soviet Union and he was elected with a huge majority. He warns of the dictatorship unfolding in Russia, if the public does not rise against growing signs that the Kremlin is in the grip of conservative communists.

Economic reforms have been blocked, democracy betrayed, and *glasnost* trampled upon. This is about what Mr. Yeltsin is warning the world. Mr. Shevardnadze has done the same. He has resigned because he felt dictatorship is coming back to the Soviet Union.

As we watch the happenings in the Middle East, as we watch how people are being destroyed in this war on both sides, and as all our attention is focused on the Middle East, as I said at the beginning, very profound changes are happening in the Soviet Union.

We could ask ourselves the question: Why did the Soviet Union co-operate with the United Nations? Normally it would have vetoed any action by the United States and other countries in the Persian Gulf, but it wants the world's attention to focus on the Middle East as the armed forces of the United States are involved in a long and difficult war. It is in a sense that those conservative forces in the Soviet Union, the old time communists, are probably happy with what is happening in the Middle East because they can take over.

What is happening right now in Lithuania, Estonia, and Latvia is a tragedy because those countries were given away, as the hon. member for Parkdale—High Park said, by signatures on a piece of paper by Hitler and Stalin. It was a deal.

I hope that there was no deal between the United States and the Soviet Union in the Middle East, what we call the new world order: your sphere of influence is going to be the Middle East and our sphere of influence is going to be eastern Europe. I am sure Mr. Gorbachev had very good intentions, but he is no longer in control of what is happening in the Soviet Union.

I would like to mention that this crackdown is not only taking place in the Baltic states. In the Ukraine as well, members of Parliament are being arrested in the Parliament Buildings. One of those is Mr. Khmara. I would like to read a short letter that I wrote to the Prime Minister on December 13. This message was delivered in Toronto to a gathering of people who were fighting for Mr. Khmara's liberation from jail:

> I wish to join those present here today to express our concern about what is happening in the Ukraine.
>
> As we know, Mr. Khmara is a member of the Ukrainian Parliament, a leading human rights advocate, a former prisoner of conscience, and founding member of the Helsinki Human Rights Movement. He has been arrested on drummed-up charges by the secret police of the central government.

That is the Kremlin. It continues:

> I hope that this is not a change in policy by Moscow.
>
> Recently, we have seen serious clouds develop on the horizon of *glasnost*. The appointment of Mr. Boris Pugo, a hardline KGB major-general from Latvia, as Interior Minister of the Soviet Socialist Republics, indicates that there is a move towards a hardline position and away from democratization of Soviet society.
>
> I ask the Prime Minister to tell Mr. Gorbachev that Canadians will not support flagrant human rights violations, as in the case of Mr. Khmara.
>
> We should never abandon the fight for human rights, wherever they occur.

Those changes that are taking place in the Soviet Union are more dramatic in the Baltic states. I support

the request by the Lithuanian Canadian community that sent a letter to most members of Parliament. One of the actions that the Secretary of State of External Affairs and the Prime Minister should take immediately is to accord diplomatic recognition to the democratically elected government of the Republic of Lithuania, led by President Landsbergis, and those of Latvia and Estonia as well. I think this is the minimum that the Canadian government can do.

I would like to thank all members who want to participate in the debate. I feel that changes in the Soviet Union were certainly very positive until lately. Now we have to remind the leaders in the Kremlin that the world cannot watch the process of *glasnost* stop.

• (1940)

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there is not very often unanimity in this House, even on questions of international policy, but I think that this is one of those occasions in which the House of Commons of Canada speaks, if not with one voice, then certainly with one purpose and one conviction, and that is to send the clearest possible signal to the leadership of the Soviet Union and to the Baltic peoples that Canada, each and every one of us, each and every Canadian, opposes absolutely the crackdown that has begun to develop in the Soviet Union against aspirations and governments which have a legitimacy in the Baltic states.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): The hard question for us, and one that I think we cannot answer tonight, is what exactly and practically the people and Government of Canada can do to reverse these developments. We are all determined to seek the reversal and to find ways that are available to us within the limits we face as a government with obligations and restrictions in the family of nations.

Everyone, every Canadian, I believe, is shocked by the brutal and unwarranted use of military force against the people and democratically elected governments of the Baltic states last week in Lithuania and yesterday in Riga, Latvia. We condemn such appalling and reprehensible behaviour, and we call upon Soviet President Gorbachev to do the same.

No one can remain unmoved by the vigilant and peaceful struggle of the peoples of the Baltic states to regain their independence. Their future is bound up in that of the new international order we are trying to create, whether that is in Europe or in the gulf.

For that reason this debate is important. It is important also to make it clear to the leaders of the Soviet Union that whatever our preoccupations with a war in which Canadian lives are at stake in the gulf, those preoccupations will not allow anyone to get away with a crackdown of the kind that is beginning, that is all too evident now in the Baltic states.

I want to commend the excellent work of the member for Scarborough Centre who presides over an *ad hoc* committee of members of Parliament on the Baltic states. They have been concerned, committed, and tireless in their efforts on behalf of the Canadian Baltic communities and the people who come from there.

Canada's support for the Baltic states has been unwavering. We recognize their *de jure* independence. We have never accepted their forcible annexation. We support the right of their peoples to determine their own future. The question for us is what practical help can we offer now.

I have just had the great privilege of meeting, in my capacity as a parliamentarian, with Vice-President Ivans of Latvia who came up particularly to see me tonight and is going now for meetings later this evening or early tomorrow morning with the Secretary of State of the United States. We talked about three areas in which the help of Canada can be offered: one is material, one is moral and political, and the third is diplomatic.

Regarding material help, there may well be in Latvia, as there sadly is in Lithuania, a need for some medical supplies. I asked Vice-President Ivans, on behalf of the government and people of Canada, to prepare a list of the things that might be needed by the Latvian people, things that we might be in a position to provide, and we would then look at ways—and they could be difficult—by which those might be delivered to people in need.

I would encourage groups in Canada who might have materials, medical supplies, perhaps other things, that would be necessary to consider ways by which those

might be gathered and made available for transmission to people in the Baltic states.

In terms of moral and political support, two or three matters were raised by the Vice–President of Latvia. One of them I think must be considered carefully by this House. It holds some risks, including personal risks and including a risk of being counterproductive, and that is the possibility of a delegation of parliamentarians of this House going to Latvia.

As Secretary of State for External Affairs I would not at the moment make a recommendation on that matter. I think that is simply because this debate comes so quickly after the proposal was made.

There are some positive things that could be gained from a gesture of that kind. But there are dangers, some of them personal in the circumstances, and also the danger that that kind of action by parliamentarians from this House would invite exactly the opposite response from what we seek from the Soviet Union.

The Baltic countries have established a Baltic centre in Stockholm. That is something the Government of Sweden has determined to be acceptable by its interpretation of international law and practice. Certainly I think it is important and useful for us to consider whether a similar arrangement might be applied here.

There are things that we have to consider doing on the diplomatic front, as was discussed in this House in answer to questions from my friend for Winnipeg Transcona. There has to be consideration as to what we can do in the context of the United Nations, probably most likely in its committees dealing with human rights. We are already trying to define some ways in which we can make progress through the Conference on Security and Co–operation in Europe. I want to return to that theme a little bit later tonight.

As the two speakers preceding me have indicated, what is happening in Latvia and Lithuania is inseparable from the broader situation in the Soviet Union, a situation which becomes more troubling every day, particularly for those of us who were so encouraged by the movement towards *glasnost* and *perestroika* and so determined to do what we can to help those reforms succeed.

None of us wants the Soviet Union to crumble. All of us want reform in that society to succeed. We were encouraged, among other things, by the attitudes that had been shown generally earlier with respect to the status of the Baltic states. We are discouraged now, deeply discouraged, by actions that have become more violent and more dramatic in recent days.

There are things we must consider doing to support the Baltic people, but we must try to do them in the context of encouraging the reform and the cohesion of the Soviet Union. That is a particularly difficult challenge for all of us, but it is, I think, Mr. Speaker, in everybody's interest, including the interest of the people in the Baltic states and the people of Baltic origin in Canada, that we seek a way that accomplishes or encourages together the reform that was started by Mr. Gorbachev in the Soviet Union and some movement towards the independence of the Baltic states.

There is no clear way, at least not clear to me, in which we can accomplish that goal tonight. But the Soviet Union, as it considers what it is doing now, and as it considers the importance to it of the support of a people and a government like ours, must understand that Canadians not only have commitments to human rights that are so much a part of our society, but also have a population that was formed in such large part by people who came from eastern and central Europe and from communities in what is now the Soviet Union.

Canadians cannot help but be profoundly affected by what is occurring in the Soviet Union now, and that if those actions do not stop, they are bound to have an effect for the worse upon the relations between Canada and the Soviet Union in a formal sense, but also, and perhaps in a much more important way, they are bound to dim and then to reverse the enthusiasm for reform that had been building among our own people, most particularly among people who had roots behind what used to be the Iron Curtain.

[*Translation*]

Canada's support for the Baltic states has been unwavering. We recognize their independence by right. We never accepted their annexation by force. We argue in favour of the right of these peoples to determine their future.

Last spring, the three republics held fair and free elections. Federal representatives, including the hon. member for Parkdale—High Park, the hon. member for Winnipeg Transcona and the hon. member for Scarbo-

rough Centre, and a representative from Ontario, Premier Rae, went to Lithuania during the election as observers.

At the initiative of Lithuania, on March 11, these democratically-elected governments declared their independence from the U.S.S.R. They tried to negotiate with Moscow, as provided under the existing constitution. Instead they were subjected to political and economic pressure.

• (1950)

After five years of a steadily deteriorating standard of living, *perestroika* has now reached a critical phase. The Soviet economy is crumbling. Pressure from independence movements is rising and public opinion is becoming increasingly negative. Mr. Gorbachev must choose: advance or retreat.

Gorbachev's supporters claim that law and order are the only weapons against anarchy. His opponents say that a policy of oppression will make him the hostage of reactionary forces. Polarization quickly leads to instability.

This winter, the U.S.S.R. asked Canada and other Western countries for assistance. We decided to support reforms by reducing the cost of transition. After my conversations with the former minister of foreign affairs, Mr. Shevardnadze, the Prime Minister of Canada offered specific types of assistance at the last CSCE summit in Paris. All of this is now at risk.

[*English*]

That things were getting worse in the Soviet Union was evident when Mr. Shevardnadze resigned in mid-December, warning that dictatorship could be on the way. The tragic events in Vilnius the night of January 12-13, with 14 dead, 163 wounded and 57 missing, made Mr. Shevardnadze, unhappily, a prophet. Mr. Gorbachev has taken the position that the events in Vilnius were regrettable but inevitable. He has not condemned the violence; he has not expressed sympathy for the victims or repudiated those who ordered it. His ultimatum to the Baltic states gave the military a green light, though he is disclaiming any personal knowledge of the consequences.

All three Baltic states believe that military-enforced, direct presidential rule is imminent. They are directing urgent appeals to Canada and to other western states, making an explicit linkage to the gulf crisis. The three have sent out representatives empowered to establish governments in exile if required. And, as the House knows and as I have said, I met earlier this evening with the Vice-President of Latvia.

Making any assessment difficult is the lack of coherence in Moscow among the various constituencies vying for power. Russian Republic President Yeltsin has joined the Baltic states in opposing the centre. Tens of thousands of people demonstrated in Moscow yesterday, calling for Mr. Gorbachev's resignation and the restoration of democracy. Meanwhile, the situation in other republics is increasingly tense, in Georgia, in Armenia, in Moldavia and in Ukraine. Mr. Gorbachev and the military have threatened them with similar treatment if they do not knuckle under. Many believe that the Baltic states are the dress rehearsal.

Last spring, Canada welcomed the free elections in the Baltic states, stressing our support for the right of their peoples to determine their own future. We protested the Soviet resort to intimidation. In my parliamentary capacity, I met with the then Prime Minister of Lithuania, Madam Prunskiene. Canada moved quickly to express its concern about the dangerous situation currently developing in the Baltic states. In December, the Prime Minister and I, in our parliamentary capacities, met with Lithuanian President Landsbergis, Latvian Prime Minister Godmanis and Foreign Minister Jurkans. I wrote to former foreign minister Shevardnadze on December 13 seeking confirmation of explicit assurances that were given to me and to the Prime Minister a year ago that there would be no crackdown in the Baltic states. On January 8 and January 11, the Soviet ambassador was called in.

I, on behalf of the Government of Canada, issued tough statements. Canada's reaction to the tragic events in Vilnius was among the strongest to come from any democracy in the western world.

The Prime Minister wrote immediately to President Gorbachev. He issued a strong condemnation, calling on the Soviet President to show restraint and to negotiate settlements based on the Helsinki Final Act and the Charter of Paris. He reminded him that at this time of heightened international tension, Canadians were watching events in the U.S.S.R. just as we were watching events in the gulf.

At the same time, the Prime Minister announced that Canada was reviewing its offer of technical assistance and the new $150 million line of credit. That is not food aid, but a commercial sale. We have drawn a direct linkage between Canadian assistance and the continuation of Soviet reform. I announced earlier that we were reviewing actions under those programs. I want to advise the House that we have now suspended any action under those programs that had not taken place before the actions in Lithuania.

Some hon. members: Hear, hear.

Mr. Clark (Yellowhead): On January 15, this House passed a unanimous resolution condemning the brutal violence used against the people and democratically elected Government of Lithuania.

Saturday I received a communication from the Soviet Ambassador giving the official explanation for the tragic events in Lithuania. The note rejected Moscow's responsibility for what happened, blaming instead the Lithuanian leaders who were claimed to have held extremist positions. That, however, was before the equally tragic events in Riga yesterday.

No one knows if Mr. Gorbachev is still in charge or, more worrying, whether he remains committed to the reforms that began in his name. In his letter of January 13, the Prime Minister warned the Soviet President against the consequences of his present course. That letter remains unanswered, and tonight I would like to quote it and lay it on the table of Parliament.

[*Translation*]

The Prime Minister wrote:

Dear Mr. President,

I am writing to express the shock and abhorrence felt by all Canadians at the unwarranted violence used against the people and democratically elected government of Lithuania.

The Secretary of State for External Affairs raised Canada's concerns with the Soviet Ambassador, January 11. Since then, Soviet military forces have been used against the institutions and citizens of Lithuania with resulting serious injuries and loss of life.

I deeply regret that these actions have taken place. They are contrary to the assurances Mr. Clark had received from Foreign Minister Shevardnadze and which you had explicitly repeated to me that there would be no crackdown in the Baltic states. I cannot stress to you strongly enough the importance of quickly and unequivocally condemning such behaviour.

You have accomplished a great deal in bringing new hope to your nation and the world. I appeal to you not to undermine this achievement but to show restraint in this increasingly dangerous situation so that further bloodshed can be averted. I urge you to seek negotiated solutions consistent with the Helsinki Final Act, the Charter of Paris and the legitimate aspirations of Lithuania and the other Baltic States. Democracy cannot exist without respect for fundamental human rights and freedoms.

As of now, Canada is reviewing its offers of technical assistance and new lines of credit for the purchase of foodstuffs. Developments in the Baltic States will also have an impact on the agreements reached during Mr. Clark's visit to Moscow and in our discussions at the CSCE Paris Summit.

I must stress that further escalation will have serious consequences for our relations. As Mr. Clark advised the Soviet Ambassador, at this time of heightened international tension, we are watching events not only in the Gulf, but in the USSR as well. In circumstances such as these, you should not underestimate the force of Canadian and world opinion.

That was the Prime Minister's letter to Mr. Gorbatchev, and I am prepared to lay it on the Table of the House.

[*English*]

I understand that I am close to the end of my allotted time. I wonder if I might have two or three minutes.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

[*English*]

Mr. Flis: On a point of order, Mr. Speaker, we definitely would like to hear a little longer from the Secretary of State for External Affairs, but in his three minutes I wonder if he could clarify this point. He keeps saying that he met with the vice-president in his parliamentary capacity. I was under the impression he was meeting these people as Secretary of State for External Affairs.

• (2000)

Mr. Clark (Yellowhead): Mr. Speaker, I think the hon. member understands, as others in the House do, the constraints that are upon us as a country. I have made it very clear that the circumstances under which I could meet elected leaders, other parliamentarians who hold government office from the Baltic states, was in my capacity as a parliamentarian. That has been understood

by all of them and I think clearly understood by members of the Baltic community in Canada. It was certainly in that capacity that I met the parliamentarian who is vice-president of Latvia today.

Do I understand that one of the independent members has denied me—

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order please. Do I have unanimous consent for extending the speaking time of the Secretary of State for External Affairs?

Mr. Plamondon: I agree, provided that the minister's extra time is added to our total speaking time, so that those who wish to speak will be able to do so. For instance, I will hardly have any time at all, but if the minister takes more time, I will have to skip my turn altogether. I am prepared to let the minister continue, but if the minister takes an extra 15 or 10 minutes, I suggest that instead of finishing at 10 p.m., we finish at a quarter or ten past, as the case may be. I agree on that condition.

The Acting Speaker (Mr. DeBlois): If I understand correctly, there is no unanimous consent for extending the debate, because I am bound by an order of the House, unless the House decides to rescind its order adopted before dinner.

Does the House agree to extend debate beyond 10 p.m., to the extent that the speaking time of the Secretary of State for External Affairs is extended?

Some hon. members: Agreed.

[*English*]

Mr. Clark (Yellowhead): Mr. Speaker, officials of the Departments of External Affairs and International Trade are in continuous contact with representatives of the Baltic communities and concerned individuals.

For example, we are continuing to facilitate the shipment of medical supplies to Lithuania and to other Baltic states.

In Moscow, our embassy has been repeating Canada's message, the message of the House of Commons and our government, to the Soviets through the ministry of foreign affairs there, including a conversation today between Ambassador Michael Bell of Canada and the new Foreign Minister Bessmertnykh of the Soviet Union.

An embassy officer is on the ground in Vilnius providing consular services to Canadians in the region and acting as a channel of communication. He is in direct contact with President Landsbergis.

Another embassy officer is leaving for Riga shortly.

We are looking at ways of including the Baltic States in the CSCE process. Canada is making strong statements at the CSCE conference in Valetta, the meeting on the peaceful resolution of disputes, and will do the same at ongoing meetings in Vienna.

Canada and others will be invoking the human dimension mechanism of the CSCE, which we think may provide us more influence than we had heretofore seeking explanations formally from Soviet authorities about what is happening in the Baltic states.

As the House knows, the member from Markham raised a proposal in the House today of which I have taken note regarding the conference under the CSCE process on human rights.

We are discussing the situation with our allies in NATO and are considering the means by which it might be raised effectively in the United Nations, especially in the Commission on Human Rights meeting in Geneva later this month. Members of Parliament have made the point to me that, while they understand the effect of the veto on matters that might be raised in the Security Council, the presence of that veto should not in and of itself preclude us from raising the matter either there or in the General Assembly. We are looking at ways effect can be given to that view.

Bilaterally, we are looking at concrete ways that Canada can support the Baltic states through increased contacts and direct assistance. We are also exploring with the Baltic communities in Canada the possibilities of opening a Baltic information office here in Canada.

I am prepared to look at any other ways that are practical. There are limits upon what we can do, given our obligations in the family of nations and given the importance of our continuing relations with the Soviet Union, given the importance indeed of our capacity to influence that country and that government, not simply in matters it considers internal but also in other international matters.

I can say that, while I am aware of those limits, it is my intention and the personal commitment of the Prime Minister to push those limits as far as is humanly possible. I will need not simply the support of the House in that, but also the advice of the House as to means that might be followed that can accomplish that purpose. Any proposals that are put forward in this debate or later will be seriously considered.

The purpose of this debate, I believe, is to make one message clear to the Baltic peoples, and most particularly to the leadership in the Soviet Union, and that is that the violence and repression that we have seen in recent days is completely unacceptable to Canada, unacceptable to this Parliament, and poses a grave risk to relations that we want to pursue and to reforms that we want to encourage in the Soviet Union.

There is a crisis in the gulf that preoccupies us all. If leaders of the Soviet Union thought that would deflect the attention of Canadians, this Parliament, or this government away from the situation of the Baltic peoples, then they were wrong. We are committed to support principles that have been important to Canadians for years and to support peoples whose bravery and determination have won the admiration of all of us.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Since the Secretary of State for External Affairs has gone six minutes beyond his speaking time of 20 minutes, the debate this evening will finish at 10.06 p.m.

The hon. member for Burnaby—Kingsway.

[*English*]

Mr. Robinson: Mr. Speaker, this is on question and comments, I trust.

The Acting Speaker (Mr. DeBlois): There are no questions or comments in the debate. Does the hon. member wish to speak?

Mr. Robinson: No.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I thank the right hon. Secretary of State for External Affairs for his speech, and also the two co-sponsors of the motion to bring on this emergency debate, the existence of which I think sends an important signal, particularly to the Soviet Union, about the seriousness with which the Canadian Parliament takes recent events in Latvia and Lithuania. Also, it sends a signal to the Baltic community within Canada as to how serious the Canadian Parliament takes events in Lithuania and Latvia, and the concern which the Baltic community in Canada rightly has about their countries of origin.

I was going to say, while I have the secretary of state's attention, that I will send over to him a fax which I received indirectly over the weekend from the Minister of Health in Lithuania, Mr. Juozaz Oleksas. I stayed in his home for 10 days when I was in Lithuania observing the elections. It is a rather detailed piece of information about the nature of the violence, the wounds that people received, causes of death, et cetera, and an extensive list of the kinds of medical supplies which are in short supply. I send that over to him now. It may be in the file at External Affairs, but just in case he does not have it already, he will have it now.

With respect to the emergency debate, it is one of a number of steps that have already been taken by this Parliament with respect to the situation in Lithuania and Latvia, going all the way back to March of last year when we passed a resolution recognizing the right—

Some hon. members: Oh, oh.

• (2010)

Mr. Blaikie: Mr. Speaker, I say I would rather not talk over the voices of people on the other side. This is an emergency debate. There is an emergency in Latvia and Lithuania and, if members are going to be in the Chamber, they can at least pay attention to what is going on or have their conversations somewhere else.

With respect to what the Canadian Parliament has done so far, I was taking you back, Mr. Speaker, to the passage of the resolution in March, 1990 by which we recognized, collectively, the right of the Baltic states to declare their independence and the resolution of January 15, 1991 in which we called upon the Soviet Union, given what had already happened in Lithuania on the previous weekend, to stop the violence which was being visited upon civilians. Now, of course, there is the situation in Latvia where, again, people have been killed by the military, the so-called Black Berets.

I am very pleased to be part of this collective effort on the part of Canadian parliamentarians, an effort which owes its existence to a consensus about the situation in

the Baltic, but also I think to the actions of the group known as the Canadian Parliamentary Group for the Baltic Peoples. That group has its origin in the visit of Canadian parliamentarians to Lithuania in February 1990 in order to observe the elections there which brought to power, so to speak, the Sajudis Party. Sajudis is an umbrella movement which contains within it various ideological factions from Greens to social democrats, communists, Christian democrats, and a variety of people who were united in one thing and that was to see the day when Lithuania would regain the independence that it once enjoyed as a sovereign state.

I remember only too well the experience that I had there. We were of course in Vilnius for most of the time we were there, but one evening—I believe it was on a Friday night—I went to a small town near the Baltic Sea called Siluté in which I was able to attend a town hall meeting where there were a variety of candidates. I think there were six candidates in all running in that particular riding. They had a town hall meeting at which the candidates spoke and there was a question and answer period after. Of course, because I was a guest, I got to say why I was there. I was also invited to say a word at the end of the meeting.

One of the things that I had to say was that it was the most polite, most civil, and most profound town hall meeting I had ever been at. It made all the town hall meeting that I had experienced as a Canadian politician look rather inferior. Perhaps because people realized the stakes, I think, of what they were arguing about and what they were debating, they were very generous with each other.

I reflected at that time that perhaps we take democracy too much for granted in this country and abuse, in many respects, our freedom of speech by being unkind to each other in ways that are not called for. These people knew the value of what they were experiencing for the first time in 50 years and treated it with a great deal of care.

Of course, the other side of that coin is that their politics have not yet come to be trivialized in the way that our politics has come to be trivialized by the media, the sound bite, negative advertising, and all the other things that afflict the body politic in western democracies.

Having said that, it is one of the things—the experience of that night and other experiences that I had there—that continues to motivate me in keeping what is happening in the Baltic states on the agenda of Parliament and on the international agenda, to the extent that any one member of Parliament can effect these things. I saw there, and I think we continue to see, a determination on the part of Lithuanians—although they are willing to defend themselves if pushed—to do what they have done so far in a very peaceful and democratic way, and in a very courageous way I might add.

We say to the Soviet Union, I hope, by everything we do and say here today, that we want the existence of those democratically elected governments of Estonia, Latvia, and Lithuania to be preserved, to be preserved not just all holed up in the parliament buildings somewhere, under siege, but to be preserved as a legitimate instrument by which the eventual independence or new relationship, whatever it comes to be with Moscow, can be negotiated. Let Moscow or the centralized authority in the Soviet Union negotiate as toughly as it wishes in a democratic way about the consequences of independence in the same way that any other country would want to negotiate toughly and realistically with parts of it that wanted to seek sovereignty. I do not need to make any obvious comparisons.

Those governments have been elected in fair and democratic elections. For me, that is the bottom line of continuing goodwill toward the Soviet Union, that those democratically elected governments not be overthrown or replaced with non-elected governments. There are plenty of difficult issues to be sorted out between those elected governments and Moscow. There are plenty of difficult questions regarding security, respect for ethnic minorities in the Baltic republics and questions having to do with what the terms of separation would be and so on. These are things that will take time.

To that extent, it is incumbent upon the leadership in the various Baltic republics to understand the over-all difficulty of the situation in the Soviet Union and to proceed in a way that is tactically wise and that takes into account those realities. I am not in a position to judge whether they have done that or not, but we are all in a position to say that that is something they need to take into account.

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I met with the Soviet ambassador on Friday before I returned to my riding and received what we have received before in terms of an official explanation from the Soviet Union. That is the explanation that the external affairs committee got when we were in Moscow in April 1990, that there is a provision for the separation of republics from the Soviet Union. It is a five-year process and it is something that they ask the Baltic republics to respect.

The problem is twofold: One, for the Baltic republics to accept that constitutionalized process for separation is for them to accept the Soviet constitution. They are not willing to do this because they maintain that they have a special status, recognized by a significant part of the international community which never recognized their annexation by the Soviet Union. For them to seek separation purely and only within this established constitutional process is to concede the point on which they base their entire political self-understanding.

The second thing which is never highlighted by Soviet spokespersons, unless you ask them, is that at the end of this five-year process, any separation, even if it is ratified by referendum—and I think I am correct in this understanding—still has to be approved by Moscow. There is a sort of a trump card at the end which the Lithuanians and others suspect would be used against them. There are problems there.

What is needed is for the Baltic leadership to recognize the difficulty which the Soviet Union finds itself in, at the same time as Moscow recognizes the special case of the Baltics. This special case is established in the report by the Standing Committee on External Affairs and International Trade in our report on our visit there. It is not a new thought but one which I think still has to be fully absorbed by the Soviet Union, the extent to which the special case of the Baltics is something that it would be wise for a variety of ways for the Soviet Union to accept and not only because it would permit it to negotiate with the leadership in the Baltic republics at this point.

• (2020)

If they were able to establish a different relationship with the Baltic republics and permit a transition to a market economy, for instance, in the Baltics quicker than they are obviously able to do it elsewhere, they might in a way have sort of a pilot project for *perestroika*. Things might be able to happen more quickly, more easily and provide the basis for the kind of change that needs to take place in other parts of the Soviet Union.

Obviously, this is an argument that has not been accepted by the Soviet leadership, but I think it is something that does recommend itself. I am very sorry that those arguments have not been heard or, at least, have not been accepted in Moscow or at the Kremlin. I do not disagree with the decision that the minister has announced to suspend various things that were in train with respect to the Soviet Union, but I regret very much that it has come to that as I am sure the minister of external affairs does.

I think this new relationship with the Soviet Union that was and still is developing is not only important for Canada because the Soviet Union happens to be one of our largest neighbours in every respect but also because the new relationship that the whole world was entering into with the Soviet Union is very important to the future of the planet for obvious reasons.

The point of the Secretary of State for External Affairs is well taken when he says that we have to judge how we respond to these events in light of the whole context of our relationship with the Soviet Union. That involves some very difficult decisions, because it is quite understandable that the community here in Canada has a list of the things that it would like the government to do.

I think we should be able, even though we share these concerns, to disagree with each other on a tactical level as to what will achieve the desired result and what may have to be held back at this point in order to preserve larger possibilities within which the possibility for an independent Lithuania, Latvia and Estonia is contained.

I believe that if the Soviet Union were to crumble—to use the minister's words—or were seen to be crumbling, that this would provide the opportunity for the army in the Soviet Union, at least in the short term, to take over, to exert more influence and to perpetrate more of the kind of violence that we have seen in Latvia and Lithuania.

I think there are some very difficult judgments to be made there and I hope that we all, as politicians, have the understanding of the various communities when we try to be as serious as we can about this and not just

simply agree with people for the sake of achieving political points.

With respect to the gulf, I am not sure. I have a suspicious enough mind growing out of my life in politics to believe that all kinds of things are not coincidence, but I think it is fair to say that the gulf war does distract attention from the events in the Baltics. Whether this was deliberate or not is really almost beside the point.

I think things would have come to a head there anyway in the absence of any willingness on the part of Moscow to accept the special case of the Baltics. Whether we were dealing with this now or later, we probably would have been dealing with it at some time. But it does raise some interesting questions *vis-à-vis* the gulf because here we are all agreeing, and yet over the gulf we cannot seem to agree.

It would be useful it seems to me to try to find what it is in the government's position with respect to the gulf that might permit it new freedom of action with respect to Lithuania, Latvia and Estonia; that is, this new emphasis on the United Nations which the government—I believe sincerely even though I disagree—sees as the underpinning of its action with respect to the gulf.

I think here is another opportunity for the UN to exercise itself on a situation which is entirely new, in the sense that it is not even a year since we have had these new democratically elected governments. It is entirely new in the sense that this is the post-1989 post-cold war world that we are dealing with.

I do not agree with the way in which this post-cold war United Nations has dealt with the gulf, but I think that this is another situation which asks of this new United Nations, which asks of this new post-cold war order, how shall we deal with this?

In that sense, new thinking has to be applied to that situation as well. Nothing in the way that we have dealt with these questions before is a truly reliable guidepost for us. I think some of the new thinking that has gone into the United Nations by the Soviet Union in some of the speeches by the now resigned foreign minister Eduard Shevardnadze need to be examined for ways in which the Soviet Union can be taken at its own word on how to deal with the situation in the Baltic republics.

I would commend that analytical task, if you like, to the minister and to the department because it may be that in things which have been said over the last little while by the Soviet Union you may find the hook by which to persuade them that they have an obligation, consistent with their own rhetoric to allow the Baltic situation to be debated at the UN; or considered by the Security Council; or whatever the case may be.

The object of all these things is to get the issue of the Baltic states into the international arena where it properly belongs, as a result of the longstanding contention by the international community, that the annexation of the Baltic states is only a *de facto* reality and not the the *de jure* reality that would enable the Soviet Union to claim that this was purely an internal matter, which raises, Mr. Speaker—

The Acting Speaker (Mr. DeBlois): The hon. member's time has expired. Does the House agree to extend the speech time of the hon. member?

An hon. member: Agreed.

Mr. Blaikie: I was talking about the UN, Mr. Speaker. Just one final point.

The point we need to look at—after the gulf war is over—hopefully soon—is how do we so reform the United Nations to enable it to legitimately concern itself with what nations regard as their internal affairs?

We can no longer go on like this permitting government after government, whether it is Canada with respect to native rights; the Soviet Union with respect to Lithuania; to Iraq, with respect to the Kurds; or whoever it happens to be, to claim that this is purely an internal matter. I think that is an agenda for reform that the government should turn its attention to.

Mr. Robinson: Mr. Speaker, I wonder, following consultations in the House whether I might be permitted to address a brief question to my colleague at this time.

The Acting Speaker (Mr. DeBlois): Does the House agree to allow the hon. member to put a question to the hon. member for Winnipeg Transcona?

Some hon. members: Agreed.

An hon. member: No.

[*Translation*]

Mr. Plamondon: I agree, Mr. Speaker, provided we add the time as we did earlier.

[*English*]

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I will be brief. I want to first of all congratulate my colleague for his very insightful analysis of the situation in the Baltic republics. I know that he has travelled to that area himself, specifically to the Baltic republics, and last year he was in the Soviet Union as well. Certainly he has been one of the leaders in this House on this very important question.

As the spokesperson for my party on external affairs, I want to make this very clear, as my colleague has done.

• (2030)

First of all, we have had a long-standing position of non-recognition of the annexation of the Baltic republics. That position remains. We fully support the importance of a dialogue, a constructive dialogue between the Baltic republics and the Soviet Union with respect to the facilitating of their desire to obtain sovereignty and self-determination.

Obviously this House and I join in condemning the violence that took place in Lithuania, the death of some 14 Lithuanians eight days ago, the violence and death in Latvia. Tragically, earlier today, we learned that there have been two explosions of undetermined origins in Estonia at a building in the Tallinn Shipyards and a centre for worker collectives. Fortunately there were no injuries, but we recall that similar explosions in Riga in early January preceded the recent events in Latvia.

I want to take this opportunity to indicate that we certainly, in general terms, support the position that the government has taken in response to this very difficult question. The Secretary of State for External Affairs has outlined that response. We welcome, particularly, his assurance that within the context of the United Nations this matter will be given high priority, whether it be in Geneva at the United Nations Human Rights Commission or at the Security Council. I would hope that we would be prepared, although not a member of the Security Council, to seek to have this matter raised there or in other fora including the CSCE.

The Secretary of State for External Affairs knows that I have communicated with him in respect of the question of observer status for the Baltic republics at CSCE meetings. I understand the consensus process at CSCE meetings, but I would hope that Canada would take a position now of support for observer status at the CSCE.

As well, my colleague referred to the fact that the eyes of the world have been so focused and so riveted on the situation in the gulf that not enough attention has been paid to the situation in the Baltic republics: in Lithuania, in Latvia, and hopefully not but possibly in Estonia.

I wanted to note as well that in the same context—and I will be brief—the eyes of the world have not been focused on another very serious violation of human rights. I am speaking here of the trials which are taking place in China of the Tiananmen Square dissidents. I have the same concern with respect to the lack of attention. Indeed a young Chinese citizen, Mao Jiye, Secretary-General of the Federation of Chinese Students and Scholars in Canada, attempted to visit China and was denied. I hope that the Secretary of State for External Affairs will express his concern on this matter, as eloquently and as forcefully as he has done with respect to the Baltic republics.

In conclusion, I want to reinforce our full support for the measures that have been taken in this context and to urge that the United Nations, the community of nations, very forcefully make it clear to Mikhail Gorbachev, who has done so much over the past six years to give the world hope of a new beginning with *glasnost* and *perestroika*, will not abandon that very important course and will in fact ensure that the Baltic republics are no longer the scene of violence and death.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Since the hon. member spoke five minutes, this evening's debate will continue until 10.11 p.m.

The hon. member for Scarborough Centre.

[*English*]

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, let

me begin by saying that I will be sharing my time on this side of the House with my colleagues.

I want to express appreciation to members of the House of Commons for agreeing to have this debate. Particularly I want to thank the Secretary of State for External Affairs for his excellent and thoughtful remarks tonight. The Secretary of State for External Affairs can be applauded for his commitment and indeed for his excellent work in the matters relating to the Baltic states.

Just one year ago, I had the opportunity, along with colleagues in this House of Commons, to visit Vilnius, Lithuania. At the invitation of Sajudis, the freedom movement in Lithuania, we witnessed the democratic election that gave an overwhelming victory to the principles of independence and self-government. The Baltic states of Lithuania, Latvia and Estonia, after 50 years of domination by the Soviet Union, were set on a path for freedom and democracy.

To have been in Vilnius last year living with a Lithuanian family, speaking at meetings on behalf of freedom candidates, meeting students at the University of Vilnius, chatting with people in restaurants, stores and on the street, the determination and discipline of the people was clear. They wanted political and economic independence.

Upon returning to Canada, my colleagues and I set to work to establish the Canadian Parliamentary Group for the Baltic Peoples, a non-partisan group of MPs from all sides of the House, to work together with those Canadians with Baltic heritage or Baltic roots in order to advance in a concerted way our assistance, as well as to encourage our government's support and assistance for the realization of independence for Lithuania, Latvia, and Estonia.

I want to thank the leaders of the Baltic community in Canada for their tremendous work. Particularly I want to mention Laas Levitt, President of the Estonian Central Council in Canada; Doctor Gurtis Silins, President of the Latvian National Federation in Canada; and Al Pacecuinis, Past President of the Lithuanian Canadian community. The work that they provide within the communities and the information support they give to parliamentarians are very much appreciated. All the members of the communities in the Baltic states are to be applauded for their good work.

The election in Lithuania was a one-issue election. It was independence, and it was an overwhelming victory. Now, just a few short months later with freedom and independence within reach, the oppressive Soviet regime, in spite of its words of *glasnost*, *perestroika*, openness and freedom, has hit these Baltic nations with the full force of the military.

The Soviets first responded to the calls of independence with an economic blockade of vital necessities. It was attempting to strangle the people into submission. When the blockade failed, the Soviets appeared to hold out the promise of negotiation. It is clear now that never was its intent. Now presidential rule has been threatened and the Soviet tanks have rolled in bringing back memories of previous atrocities.

Just this weekend, I heard the testimonial accounts of eyewitnesses from the three Baltic communities of the massacre, as well as the persecutions suffered by the men forced to conscript to an army not representative of their values, their beliefs or their ideals. I was moved to horror at the atrocities inflicted.

This issue is an international issue. It cannot rest untouched in the affairs of the Soviet Union. We have witnessed a side of Mikhail Gorbachev which is contrary to all the progress and reform made in that nation. We cannot ignore it. This is why it is so fundamentally important that we debate this crisis in the House of Commons tonight.

We stand resolute in support of the people of Lithuania, Latvia and Estonia for their independence, to ensure freedom, democratic and human rights, and justice. Through the United Nations, the Human Rights Commission or the Conference on Security and Co-operation in Europe, every possible effort must be made to set our position squarely on the agenda, that we accept nothing less than the independence of these nations.

• (2040)

I encourage parliamentary representation within our delegations. I urge our government to support the striking of a United Nations task force on the Baltic states to observe the events as they occur and report back to the international community.

I applaud the Secretary of State for External Affairs. I am pleased that Canada has suspended the earlier commitment to the Soviet Union to assist in its reforms.

Indeed, how could we continue to assist a country, the values of which obviously run contrary to our own. How could we provide assistance to a country, the president of which has gone back on his very assurances to our government that force would not be used in the Baltic states. I was also pleased to hear the Secretary of State for External Affairs talk about the medical aid which would be sent directly to the Baltic states.

I want to speak about the information centre. The Secretary of State for External Affairs stated in his remarks that the establishment of an information centre was under review. I applaud that. I believe this to be an excellent initiative: to establish an information centre in order to make available all relevant information concerning events, as well as the safety of families in the Baltic states. I understand that a similar information centre has already been established in Stockholm.

I also urge our government to make every means available to those persons who wish to leave the Baltic states and come to Canada, especially those who are the victims of criminal acts and persecution.

Our parliamentary group has met with representatives of the Baltic communities in Canada. I am pleased to report to the House of Commons the appreciation extended to right hon. Prime Minister for his forthright and quick response by communicating with President Gorbachev, expressing the abhorrence of all Canadians of the unwarranted violence used against the people in the democratically elected Government of Lithuania.

In closing, we must continue as parliamentarians and as individuals committed to democracy to support the aspirations and the goals of the Baltic peoples in their struggle and the realization of their independence.

Some hon. members: Hear, hear.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, it is with an enormous sense of disappointment and foreboding for the future that I participate in this debate.

Over the past two or three years the relationship between the Soviet Union and the rest of the world has been characterized by one word: hope, hope of a new era in the history of the world.

[*Translation*]

Hope for independence and freedom, and with them a new meaning of reality not only in relations between nations but also in the spirit of the human soul.

[*English*]

Even as we have witnessed the difficulties and increasing dangers accompanying change in the Soviet Union, we have hoped that the leadership and the citizens of that vast land would find the will and the ways to continue their march toward the future. Today we must question that march and we must question its direction: to the future with confidence, or back to the past with fear and terror?

There can be no question of Canada's concern at events in the Baltic. We condemn, without reservation, the unwarranted and brutal violence with which democratically elected governments in Lithuania and Latvia and their institutions have been attacked.

[*Translation*]

We are not naive. We know and we understand the enormous pressure brought to bear on the Soviet Union president, but we also know—and we thought he knew—that there is no room for coercion and intimidation in the society he was defending and which was his aim, at least that is what we thought.

[*English*]

We still hope Mikhail Gorbachev stands for the free development and growth of democracy and for the self-determination which such democracy demands. We believe democracy offers to the Soviet Union, its peoples and its neighbours greater security and greater prosperity than they have witnessed under the old regime.

Where does the Soviet Union stand at this hour? Where is Mikhail Gorbachev? Where is *glasnost* at this hour of decision? Every one of us participating in this debate tonight knows full well the facts of history which brought the free and independent Baltic states of Latvia, Lithuania and Estonia under Stalin's rule 50-some years ago.

We know the brutal repression with which all opposition was eliminated. We know the enforced Russification with which the cultures of these peoples were suppressed. But we also know that that oppression failed.

We know here, in our own country, and in many others, how courageously and passionately the former citizens of these countries and their descendants kept alive their hopes and their dreams of free homelands through so many dark years.

With the changes President Gorbachev brought to the Soviet Union, we saw that the citizens living in those Baltic countries had kept alive those same hopes, those same dreams, no less brightly.

There are many things tanks and armoured vehicles can crush, but they cannot crush the idea of liberty once planted. That is the lesson of history we thought the new Soviet Union understood. The universal declaration of human rights, the Helsinki Accord, these, we thought and we had hoped, would be the pillars of any new relationship to form between constituent parts of this huge union. If they were to be called republics, we here in Canada looked for them to be republics in more than name only.

[*Translation*]

That is the evolution in which we have put our confidence and in which the Balkan states and their citizens have faith. When they were given the opportunity to cast their ballots, they did not hesitate. These are nascent democracies, as we can call them, but through their conviction and understanding they have shown wisdom and maturity beyond their years.

[*English*]

Are these brave hopes now to be ended in bloodshed and destruction? Is the Charter of Paris, signed only a few weeks ago, to become as worthless as so many other pieces of paper in history have become?

I know that all Canadians join me in urging President Gorbachev to stand with the believers in democracy and openness at this time and to demonstrate that courageous leadership for which he has been applauded by the whole world.

In the past year so many of the symbols of tyranny have been swept away, across Europe and in the Soviet Union itself. The walls have come down. The secret police organizations have been disbanded or recalled to barracks. The presses and broadcast towers of a free and uncensored media have begun to take their place.

The world has applauded this transformation and those who have made it possible. We have rejoiced that millions have found new purpose and new hope. What possible purpose can there be to end such progress?

Security? Can anyone seriously believe a return to the cold war can lead to greater security?

Prosperity? What prosperity is there in a new arms race, in the collapse of economic development that will follow new repression?

Tranquillity? Tranquillity in the streets of Vilnius and Riga will come with the sounds of citizens rejoicing in their freedom and in the things free citizens do, not in the sound of tanks and machine guns.

Canada has never recognized the annexation of the Baltic states by the Soviet Union and we will not. What we will recognize is whether the Soviet Union desires to continue or to withdraw from its new relationship with the world and with its own people.

We want for the Soviet Union every opportunity for peace, friendship and freedom and all that they can bring. But President Gorbachev must also know that Canadians will watch closely how he acts at this time.

We urge him to act with courage and with wisdom, for democracy, for freedom.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, like all Canadians and like all freedom loving people around this world, I was absolutely shocked and disgusted by the events that have been taking place in Lithuania and more recently in Latvia in the last few days. It is even more shocking when one considers the fact that this is coming so hard on the heels of the events that have been taking place in the Persian Gulf.

I, like most members of this House, have a great many constituents and personal friends whose place of origin is the Baltic states. I have a Latvian Canadian Cultural Centre in my riding. I have a good many friends and constituents who are very close to that centre. The Estonia House is just on the border of my riding. Again, a good many constituents and friends are associated with Estonia House. Just a few short months ago, I had the opportunity of being at the Lithuanian Community House in Toronto to celebrate with some of the other members of this House the free and independent elec-

tions which had taken place in Lithuania for the first time since the end of the Second World War.

• (2050)

All members of this House and all Canadians are well aware of the very troubled existence that the Baltic states have had over the years. We are aware that they were independent in the 13th century. We are aware that they were dominated by their larger neighbours up until the end of the First World War. They became independent for a very brief period of time again between World War I and World War II and that independence was snuffed out by the Soviet Union in breach of non-aggression pacts signed with each of those three nations.

We are aware, as well, that the Baltic states were fought over by the Nazis and by the armies of the Soviet Union. Ultimately, they came to be dominated, after the Second World War as a result of the Yalta conference and the dividing up of spheres of influence throughout Europe, by the Soviet Union.

We know as well, however, that Canada has never recognized the illegal annexation or occupation of the Baltic states. We have always considered that legally they remain independent.

Now, just as they seemed about to gain their independence in fact as well as in law, that independence has been struck at again by the Soviet army. What can we do, and what should we do? We have heard that the Prime Minister has already condemned these actions. He has written to Mr. Gorbachev condemning these actions.

We know that the Secretary of State for External Affairs has gone further, first of all, in indicating that we were reconsidering our aid to the Soviet Union and now, has indicated that we are suspending that aid. Many of my own constituents have pointed out other ways that we can act as well.

They suggested an emergency debate such as the one we are having tonight. They suggested that Canadian observers be sent to the Baltic states such as the Norwegians have sent. They suggested that we, again, insist that the U.S.S.R. stop the illegal and horrific actions that are taking place there. They suggested that UN Security Council can try to impose sanctions even though we know that the Soviet Union holds that veto power.

They have suggested UN observers, and they have suggested again that the UN impose sanctions. These are things that we might do unilaterally, but there are things that we should be doing through the United Nations as well, it seems to me, because we failed to bring about an effective and peaceful conclusion in the Persian Gulf.

What we must do now is try to find an effective and peaceful means of solving this problem with the Baltic states. At the same time, we must find it in a way which will guarantee once and for all the freedom, the democracy and the independence of Latvia, Estonia and Lithuania.

[*Translation*]

Mr. Paul Martin (LaSalle–Émard): Mr. Speaker, this evening I wish to describe the terrible conditions under which people in the Baltic countries are living. The situation in these republics is very serious. The attacks against these peoples will have dramatic consequences.

In this part of the world, where political foundations are so fragile, people are fighting for survival. The gulf war must not let us forget them. The tragic events of the last few days have shocked us all. They show us how vulnerable efforts to obtain more open and transparent government are. They also show that people cannot be repressed indefinitely. The desire for self-determination cannot be muffled forever. The history of the Baltic republics is written in blood. Devastated by war, abused by dictatorial regimes, the Baltic people have nevertheless survived. *Perestroika* had given these people hope. Unfortunately, interests with dictatorial tendencies want to snuff out this spark of freedom.

We now know there is no government that can extinguish the flame of the Baltic countries. The movement is irresistible. It points the way to a world where force will no longer be relevant.

[*English*]

The valiant efforts of the Baltic states have taught us much. They have taught us that moral principles, that principles of justice are the principles of nationhood.

Free elections were held in the Baltic states. In February, for instance, my colleague, the member for Parkdale—High Park, who is one of Canada's leading experts on eastern Europe, was a witness to the election in Lithuania. He told me, as he has said to this House

tonight, that those elections were fairly held. He has said that they observed the principles of democracy. He has said that their legislatures were democratically elected. Under these circumstances how can anybody now justify sending in troops to take away from the people of the Baltic countries their duly elected Parliament?

First Lithuania, then Latvia, how much longer before Estonia? The world must now speak with one unequivocal voice. What must the world do? First, it must recognize that the simple niceties of diplomatic language will not deter those who would take away a people's freedom by force. It must recognize that vague protests and economic aid possibly withheld are simply not enough. What must the world do?

First, it must put real weight into the economic levers that the world has at its disposal. To that end, I would congratulate the Secretary of State for External Affairs for the announcement that he made tonight.

Second, the world must introduce a resolution in the United Nations Security Council condemning Soviet aggression. The motion may well be defeated but the point must be made. It will not go unnoticed.

There are other measures that we must take as well. In Canada, we must pay more than lip service to the very real fact, which is the absolute independence of the Baltic states. We must say that *de jure* recognition is no longer sufficient, that the Baltic states are entitled to real recognition. A people who have held free elections, a people who have fought for their independence, are entitled to full diplomatic accreditation.

Again I refer to the question of my colleague from Parkdale—High Park when he asked the Secretary of State for External Affairs why he did not meet the leaders of the Baltic states, not in his simple capacity as a parliamentarian, but in his full capacity as the representative of this country, the Secretary of State for External Affairs.

There are other things. We must call a special meeting of the Conference on Security and Co-operation in Europe to condemn the very real menace that the threat to the Baltic states poses to the peace of Europe and the world.

Finally, because my time is limited, Mr. Speaker, we must accept as refugees those from the Baltic countries who find their way here. That the government of the Soviet Union is considering deporting young men whose only crime is that they refuse to report to an army whose ultimate purpose may well be to shoot their own people is simply unthinkable.

• (2100)

Freedom is not the cause of destabilization. What are the objections to doing that which is right? Well, there are those who say that we must not destabilize Mikhail Gorbachev. There are those who say we must not destabilize the Soviet Union. I would argue the opposite.

The world owes a great deal to Mikhail Gorbachev, but he is now in a battle with conservative forces who would undo him and would undo everything that he has done. Those forces must understand that the free world will not stand for any backsliding. They must be told that Mikhail Gorbachev was right to begin with, and that he is wrong now. We must make it clear to the Soviet president that we will stand behind those who speak for freedom. Destabilization in the U.S.S.R. will not come from giving freedom to the Baltic states, it will come from refusing that freedom.

The Baltic states represent no threat. The threat comes, as it did indeed on the weekend, from the 300,000 people who demonstrated in Moscow, from the countless thousands who demonstrated throughout the Soviet Union against the great brutality that was demonstrated in Vilnius and in Riga. The Russian people, too, want their freedom. They know that it is linked to freedom elsewhere.

In conclusion, the Soviet Union is in the grip of terrible economic chaos. Its leadership must understand that economic progress without political freedom is simply impossible. The Soviet Union must understand that we are on the threshold of a new world order and that the Baltic states are a symbol of that order.

The Soviet Union must understand that all our fates, all around the world and indeed in this Chamber, are tied to the battle that three small but very, very courageous countries are waging.

Some hon. members: Hear, hear.

S. O. 52

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, in my limited time, I would first like to compliment my colleague, the hon. member for La-Salle-Émard, who has been working closely with my colleague, the hon. member for Parkdale—High Park, in organizing, with all members of this House today, an emergency debate on this issue.

I want to read into the record a letter I received from a gentleman representing members of the business community, Mr. Peteris Kusmanis, from my riding. I think he summarized the situation well. He writes:

> As a member of the Business Community, I am concerned with what is happening in the Soviet Union, particularly with the use of force to crush the democratically elected governments of Latvia, Lithuania and Estonia. We cannot have mutually beneficial economic relations with the Soviet Union until the Soviet Union demonstrates that it is truly committed to democracy and free enterprise, and that it is worthy of our trust. The Soviet Union was apparently headed in the right direction—*perestroika*, *glasnost*, democratic elections—but the events of the last months have proven that *perestroika* and *glasnost* are a farce. I appeal to you to support or introduce a call for an all-party resolution today to condemn the Soviet attack yesterday on the democratically elected government of Latvia. The House of Commons should hold an IMMEDIATE emergency debate on the Baltic situation. Sanctions must be taken against the U.S.S.R. Canada must urge its partners in NATO, the CSCE and the United Nations to do the same; the U.S. is key in this matter and Brian Mulroney should be on the phone to George Bush to urge the U.S. to take strong action immediately.
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> Until freedom is restored to the Baltic States, and until the Soviet Union proves that it is committed to a free market system, there should be no thought of economic aid to the Soviet Union. This situation demands immediate action—

Many of my constituents are reflecting Mr. Kusmanis' point of view and I want to go back to the hon. member from Edmonton and his thoughts when he talked about being in the Soviet Union last year right around this time. I, too, was there speaking at an environmental conference where there was so much hope and so much feeling that we were all heading in the right direction.

Here we are tonight in this emergency debate, frustrated, hopes shattered. It is only by all members of the House uniting and sending a strong message to the Soviet Union that we can keep a flicker of hope that maybe some action will be taken. We hope Mr. Gorbachev will take a stand and for starters crush the action that is going on in the Baltic States so that we might regain the hope that we had a year ago that he was going in the right direction.

Mr. Benno Friesen (Surrey—White Rock—South Langley): Mr. Speaker, for the past 18 months the world, especially the western world, has witnessed a roller-coaster of hopes and expectations. It was 18 months ago when we began hearing the faint stirrings, the ever-growing stirrings, of hope for freedom in those countries which we used to call the east bloc countries in the days of the Iron Curtain.

We witnessed events almost beyond belief in the ensuing weeks which culminated in the tearing down of the Berlin wall.

It was not peace that was breaking out. These nations had experienced 40 years of a kind of peace all over eastern Europe. It is not the kind of peace we cherish, but it was a kind of peace, and it was not peace that was breaking out, it was freedom that broke out at that time.

But the forerunner to that experience was a statement by the Soviet Union, an admission on the part of the Soviet Union that the Molotov-von Ribbentrop agreement of 1939-1940 was in fact an illegal transaction.

This is what three generations of Estonians, Latvians, and Lithuanians had been waiting for. Those people had been raped and pillaged by two European countries under an illegal agreement. Now a confession from the Soviet Union declared that to be illegal.

Therefore, it is now incumbent on the Soviet Union, since it has admitted its guilt, to undo the wrong of that treaty. That is what the debate is about tonight. Peace has been there, but now freedom is breaking out as witnessed, as several of our colleagues have spoken tonight, in the elections of the past year. Freedom is breaking out, but this presents President Gorbachev with an enormous problem.

In the ensuing 40 years, those countries have experienced interlocking populations, interlocking cultures, ideologies, goals, economies, all interwoven. How do you unscramble that egg? That is the difficulty facing President Gorbachev. When 50 per cent of the population of one of those countries are actually Russians, or citizens of the Soviet Union, that is a problem. It needs to be

solved. We should not retreat from it, but we must acknowledge that that problem exists.

We should also acknowledge that the problems will not become smaller. They will become greater as the years go by as long as that is ignored by the Soviet Union.

It is important to remember that these people have now tasted and experienced freedom as they never had known it before. They will not be satisfied until it is theirs permanently. They will not be denied. Suppression of that hunger for freedom will simply lead to greater explosions in the future.

• (2110)

It is important to notice that the Baltic people are trying to do it right. They are not trying to thumb their noses at the Soviet Union. They are trying to do it peacefully and by negotiations, and they are acting in good faith. Up to this point, they have not been rewarded for their good faith and for trying to do it right.

Canada has several responsibilities. First, we must sound the alarm that something is going drastically wrong in those countries. We must sound the alarm to the world. We cannot sit by, simply clucking our tongues and pretending it will go away.

We must learn from the mistake that we have experienced in the Middle East. Witness the eight-year war between Iraq and Iran when one million people were killed. The world stood by and said: "Isn't that terrible?" When Saddam Hussein was willing to sacrifice 50,000 lives just to capture one town, we stood by and we clucked our tongues as he gassed his own citizens, the Kurds. We did not say very much. Then, he moved into Kuwait, and we realized we had to do something and do it now. We need to learn from the experience of the Middle East that we cannot allow a repetition of that kind of pattern in the Baltic states.

Just four weeks ago, I met with a young man from my constituency. He is a professor of international economics and finance at UBC on leave studying in Finland the events of the Baltic states. He told me then, just before New Years that what the leaders in the Baltic states feared the most was that the heightening of the activity in the Middle East was going to give an opportunity to the conservative reactionary forces of the Soviet Union to move into the Baltic states. While everybody was distracted in the Middle East, it could move into the Baltic states. Their prophesies have become true and we must sound the alarm.

The second thing we must do is stand by the Baltic people. We must let them know that we encourage them, that we stand with them, that we cherish their freedom with them, and that we want them to experience it the way we experience it.

Some hon. members: Hear, hear.

Mr. Friesen: We must let them know that we are not simply mouthing words, but we want them to cherish our freedoms. Therefore, we welcome the announcement by the secretary of state tonight that he has already suspended some of the present negotiations and initiatives that have taken place between Canada and the Soviet Union. They have been suspended.

Second, he is now initiating new ways of working with the Baltic people. We must meet with them. We must spend time with them. We must walk along side of them. We must take these new initiatives, some of which the secretary of state has announced tonight.

We must sound the alarm and we must encourage. We cannot allow the mistakes of the Middle East to be repeated in the Baltic states.

I welcome the debate tonight, and the only point I would make regarding my friend, the hon. member for LaSalle—Émard, is this. He said that it is worth the risk, destabilizing the Soviet Union and maybe allowing President Gorbachev to be set aside. It sounds very attractive if Mr. Gorbachev does not bring the reforms necessary—

An hon. member: He did not say that.

Mr. Friesen: Yes, he did. He said that it is worth the risk.

I would simply ask him: Who has he got to replace him? If he could tell us who it was, I could agree with him because it sounds very attractive.

We stand with the Baltic people tonight. We will stand with them in the future, and we will demonstrate to them that we cherish their freedom with them.

Mr. Patrick Boyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I rise in the Canadian House of Commons tonight to join with colleagues on all sides of this House to condemn and to

lament the armed suppression of the peoples in the Baltic republics and the curtailment of their freedoms.

Just recently I was browsing through one of the recent biographies about Mikhail Gorbachev. There were grouped on some pages a series of photographs. One seemed almost inexplicable. It was a full-page photograph of President Gorbachev by himself in a park, crouched down, feeding a squirrel. What was written underneath that was the statement: "The tragedy of Mikhail Gorbachev is that he will be unable to finish his own revolution". Why that picture, why that prophecy is hard to say, but certainly what we are seeing here is something that we often see with revolutionary change, that there is a period of retrenchment.

Just as George Bernard Shaw taught us that paradoxes are the only truths, we see a profound paradox in this situation, for the Gorbachev revolution as epitomized by *perestroika* and *glasnost* was accompanied also by a clear movement toward democracy and a clear suppression of the old instinct of totalitarian states to call out the army at the moment of crisis.

It was not the first time in the past few years that in the countries such as Poland, Czechoslovakia and Hungary we saw efforts to overthrow the regime that had been imposed since 1945. It had happened in 1956 in Budapest for Hungary. It had happened in 1968 in Prague for Czechoslovakia.

The difference this time was that the Red Army remained in the barracks and it remained there because Mikhail Gorbachev instructed that it should be so. So the paradox that we face tonight is that it is under this same regime, the same leader, that in fact military suppression has become the sad signature in already two of the Baltic republics, Lithuania and now Latvia.

At issue now is the future make-up of the Soviet Union. Mr. Gorbachev, it appears, is bent on maintaining control of a slightly decentralized federation of Soviet republics. The democratization that he once promoted stops short it seems of democratic self-determination for individual republics.

The Baltic peoples, on the other hand, took the Soviet leader's ideas seriously, drawing from *glasnost* and *perestroika* the logical conclusions that all republics would be free to administer their own political and economic programs. The differences have now become very clear. While Mikhail Gorbachev preaches reform, the Baltic peoples practise it.

Tonight at six o'clock, I met with the Vice-President of Latvia, here in the East Block, in the company of the Secretary of State for External Affairs. What impressed me most particularly about his many messages to us was his statement that the people of Latvia have been making a journey in the past months, and they do not now want to go back. There is a palpable feeling of new power of democratic realization in many of the republics, including Ukraine which I visited last October, Kazakhstan, and elsewhere, Georgia, Estonia, Latvia, Lithuania, and the Russian republic itself. So, now is a time when we must not send the wrong signal.

• (2120)

Two years ago on March 4 when I addressed the annual congress of the Baltic veterans in Canada, I quoted from books where on earlier occasions the freedom fighters in those republics had prepared to seek to overthrow the existing authorities and re-establish a free and democratic society. They had based part of their initiative on statements made by leaders in the west and their assumption that those words would be translated into material support at the time of their uprising. Tragically, that support was not there when they moved and when they expected it.

Now we come to the need, as many members have said, to match our words with actions. That is why I fully endorse and gladly support everything that was contained in the outstanding speech this evening here in the House by the Secretary of State for External Affairs. I am sure he and members of the government did not come lightly to announcing to us tonight the suspension of the $150 million line of credit and all the other initiatives that he referred to that are now in a state of suspension. The member from Winnipeg also referred to the sense of hope that we had seen in all of these recent developments, so tonight is not a happy night when we see the necessity of taking these steps.

We cannot have this debate in the House and be unmindful that our country is again at war in the Persian Gulf. For the fifth time in this century our country is at war and we are once again, as Canadian poet Robert W. Service said, staring into the aching womb of night. There is nothing about this war that we relish or

welcome. We are there because of a commitment and support of the United Nations.

We are considering tonight the situation of Latvia and Lithuania, countries that also were invaded, occupied and annexed by a neighbouring power. So we have many parallels here which cannot be lost on any of us tonight who are grappling with the difficult legal dilemma that the Soviet Union, as a member of the United Nations, considers to be an internal matter and not something subject to the purview of the United Nations.

In conclusion, I want to say that last October when I was in the Soviet Union, I saw many things that would encourage all of us, the kinds of changes for which we called for years and years now actually happening. I also saw a country that in so many respects was simply one level above chaos. So many people were determined to throw over the old order, a system that for 70 years had preached success but had produced shortages, failure, repression and extermination of millions of freedom loving people.

As I left, the only question in my mind as I felt that palpable sense of freedom, that rising surge of reform and democracy was the question of who controls the Red Army, because as Lenin had once said, the communist party is the glue that holds the Soviet Union together. The communist party today has atrophied and withered away and is no longer any such glue. We are, I am afraid, seeing that in these last remnant hours of this 20th century's last empire, the only force that is available is the force of arms. Let us all hope that the measures taken here and the voices expressed here can in time, and I mean now, cause this to be reversed.

Mr. Stan Keyes (Hamilton West): In his wisdom, the Speaker of the House has permitted this important emergency debate to take place and on behalf of the Canadians of Baltic origins in my riding of Hamilton West, I thank you, Sir. I thank my colleague, the hon. member for Parkdale—High Park for his tireless effort as co-chair of the Canadian Parliamentary Group for the Baltic Peoples, that all-party, all-member group of which I am so proud to be a member.

Members of the Society of East Central European Nations at Hamilton, Ontario, remember all too well what Gromyko said when he was succeeded by Gorbachev. He said: "Behind his nice smile he has iron teeth". It is a cruel quote to be restated here tonight, especially in light of all the good that Gorbachev has presided over as of late. It is a cruel statement maybe, but not for the Lithuanians, not for the Latvians and hopefully not for the Estonians.

Just yesterday in downtown Hamilton, which was the first municipality in the country to draw up a resolution in support of democracy for Lithuania, appealing to the federal government to take a strong position in support of Lithuania, it was a bitter wind that swirled around the hundreds of protesters who gathered outside Hamilton City Hall, the members of the Lithuanian, Latvian, Estonian and Ukrainian communities who agreed that the struggle in the Baltic states is no less serious a threat to world peace than the war in the Persian Gulf and that if it is forgotten, we will all pay a heavy price.

Showing their support for the Baltic states, some demonstrators carried their national flag. Others waved placards which read: "Peace not bloodshed". Another said: "Gorbachev, Nobel Peace Prize Winner", except the word "peace" was scratched out and the word "war" was inserted so the sign read: "Gorbachev Nobel War Prize Winner". Still another picket sign read: "Talks not tanks". A very touching moment was when a group of school-aged children took their black bows as symbols and placed them on a symbolic tree, an evergreen tree.

Yes, I and many members of this House feel again the fear and the frustrations of those valiant people whose homelands face the bonds of tyranny. Tension in the Baltics is high. In fact, there is growing fear that the unwarranted military crackdown used against the people and democratically elected government in Lithuania, which killed 13 people, injured 165, and 65 people are missing and the attack by Soviet troops on a Latvian police headquarters resulting in the deaths of five, will soon spread to Estonia because there in Estonia concrete barriers have been erected around the Parliament Buildings where the people wait and watch hour to hour.

My fear is that the world attention and much of the resources of the news media have been diverted from the troop movements and bloodshed in the Baltics to the Persian Gulf war. If allowed to continue, Gorbachev may

succeed through the back door that which he could not possibly accomplish walking in through the front door.

• (2130)

Many words have been written by the Secretary of State for External Affairs. He strongly protests, in fact condemns, the brutal and unacceptable Soviet crackdowns in Lithuania and Latvia. Many words have been spoken in protests and demonstrations in my riding of Hamilton West, in the riding of Parkdale—High Park and other ridings of this House, and in demonstrations around the world. Many words will be spoken in this emergency debate tonight.

However, it is concrete action which I urge the government to implement continually in order to impress upon the Soviet Union the urgency of this grave situation. "What action", one may ask. We promote constructive dialogue between the Soviet Union and the Baltic states, the aim of which is the peaceful resolution of the crisis. In the words of one of my constituents—and I will use only her initials to respect her privacy—E.G. on Emerson Street, writes:

> As you are no doubt aware, the Baltic countries lost their independence when the Soviet army illegally occupied them in 1940. Although Canada steadily maintains a policy of non-recognition *de jure* of this occupation, for which I and my fellow exiles are grateful, in actual fact Estonia, Latvia and Lithuania with their western European outlook and work ethic continue to function as colonies of the Soviet empire.
>
> Recent political activities of the popular fronts in these countries and their supporters have forcefully shown the world their abiding desire for the restoration of freedom and dignity in their lives.
>
> They need Canada's help.

Can Canada help? I congratulate the Secretary of State for External Affairs for meeting with the Soviet ambassador today and for the announcements that he has made here tonight. Canada can play a vital role by hearing the desires of the Baltic Canadian communities.

The Lithuanian Canadian community asks the Canadian government to take the following actions in the wake of the brutal crackdown in Vilnius by the Soviet army:

First, to impose sanctions on the U.S.S.R. until it withdraws its tanks and paratroopers from Vilnius and enters into negotiations with the legitimate government of Lithuania.

Second, to accord diplomatic recognition immediately to the democratically elected Government of the Republic of Lithuania, led by President Landsbergis.

Third, to introduce a Canadian resolution in the United Nations condemning the Soviet aggression to push for an emergency debate of the UN Security Council in order to debate the Baltic crisis.

Fourth, to call a special meeting of the Conference on Security and Co-operation in Europe to condemn the assault on Lithuania as a threat to the peace of Europe.

Then we hear from the Latvian community which says clearly that this warning had no effect on Soviets. The Canadian Latvian community is outraged by the senseless tragedy of Soviet black berets killing and maiming innocent civilians and journalists in Riga. It calls on the Canadian government to cease all assistance to the Soviet Union immediately; to impose trade and economic sanctions, which we are glad to hear have begun tonight; to call an emergency debate in the House of Commons, in which we are participating here tonight; to call on the United Nations to send observers to the Baltic states; and to continue to raise the Baltic issue at the Conference on Security and Co-operation in Europe by stressing that Soviet actions will continue to threaten the peace of Europe until democracy is restored.

My Baltic constituents say they look forward to learning that members of Parliament, privileged to serve, have helped the Baltic nations in their struggle for the restoration of their economic and cultural sovereignty.

On their behalf, I implore the Secretary of State for External Affairs to use every practical, peaceful tool at his disposal, such as the one he announced here tonight, to pressure the Soviet Union into negotiating the terms of independence which we pray will resolve the legitimate concerns of the Baltic states.

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, I welcome this opportunity to take part in the debate this evening on the situation in the Baltic states.

[*English*]

It is very difficult when the focus of attention in the world is on another part of the world, on the Persian Gulf, to draw the attention of many people to the

concerns that many of us have for the people of the Baltic republics: Lithuania, Latvia, and Estonia.

However, it is of great importance for the world community, as an international community, to draw its attention to each and every sector of the world where concerns such as those we have all been expressing tonight need to be brought to bear. It is particularly important when so many in this country and elsewhere question the actions of the international community in the Persian Gulf, because they perceive there to be a double standard at practice in the world.

If the world community, through gaining experience in co-operative action and collective security, is to achieve a lasting world peace on the basis of those principles, it will be necessary to establish a standard that can be applied in many situations, not just in those where specific and important economic interests prevail.

All of us feel a very great disappointment at what has transpired in the Soviet Union and in the Baltic states, very great disappointment made that much greater by the amount of hope we all felt for this regime led by a new man, a man who looked affable, competent and, as Margaret Thatcher once said, "like a man with whom we could do business". Now, having awarded him the Nobel Peace Prize, we find that in his nation troops are firing guns and driving tanks over people who are speaking on behalf of democratic reforms in their own country.

It is important for Canadians to remember that the history of the Baltic republics is one which in this century has included the subjugation by the Soviet Union as a result of the pact between Nazi Germany and Stalin which led to their being acquired in 1940. To this day, Canada has not recognized that subjugation of the Baltic states.

We still had so much hope. Of course, they did not immediately permit their independence, but when we think back over the years of the cold war we think of what happened in Hungary in 1956 and in Czechoslovakia in 1968, the building of the Berlin wall in 1961, the enormous change that occurred, and the years and years of arms reduction talks which went on and on and seemed to go nowhere.

Suddenly, with this new leader in the Kremlin, the world seemed to take on a different face. Freedom seemed to spring up in the Soviet Union: the right of dissent, with people marching in the streets protesting what their government was saying; Soviet politicians and journalists coming to Canada and telling us what was happening; and the freedom of expression, the freedom of opinion, in the journals of the Soviet Union. Suddenly the door seems to be slamming shut. Of course we are disappointed.

This is important, in light of some of the comments that President Gorbachev made. This is not a question of law and order in Lithuania, in particular. This is not a question of law and order. This is a question of military force being applied against the democratically elected government of the state of Lithuania. Those elections were not held by some outside power. They were authorized and legitimized, even by the government of the Soviet Union. They were held under international supervision in Lithuania, the result of which was to elect the government that last March 11 voted, not by a narrow majority but unanimously, to declare the independence of Lithuania from the Soviet Union.

• (2140)

What an exciting event that was. I have a report from the *Washington Post* dated March 12, 1990, indicating the excitement felt by the people who witnessed that occasion. Tears streamed down their faces as they realized that their country again had the prospect of becoming independent. Then a few months later, 10 months later, that hope seems to be dying in the face of Soviet tanks.

There should be no questions where Canada stands on this issue. Canada has never recognized the occupation of the Baltic republics by the Soviet Union. That position has remained consistent, no matter what party has been in government.

I would like to read from a letter dated April 29, 1983 from the then Secretary of State for External Affairs, the Hon. Allan J. MacEachen, who wrote at that time:

> Canada does not recognize *de jure* the incorporation of Estonia, Latvia and Lithuania into the Soviet Union. The Soviet Government is well aware of our position which has been firmly maintained over the last forty years. In following this policy the Canadian Government expresses its continuing disapproval of the forcible incorporation of the Baltic states.

In the face of that statement—and I have no reason to believe the current government has changed its position on it—I fail to understand why the Secretary of State for External Affairs must meet with Lithuanian and Latvian representatives in his parliamentary capacity and not in

his ministerial capacity. He should be ashamed to refuse to do that.

It is important for the Soviet Union to understand that the national ideal in the Baltic republics is integrated with the democratic ideals. Mr. Gorbachev must be brought to understand by representations—and I understand that they have been clear and strong from our government—from our government and other western governments indicating that the concept of democratic reform incorporates into it the right to self-determination of peoples, particularly in republics such as the Baltics where national ideals are long held and national traditions clearly exist.

Just as it is impossible to stop the wind, leaders of countries throughout the world must understand it is impossible to stop the winds of freedom which are blowing. We felt their sensation in China. We have seen them blow down the Berlin wall. We have seen them blow away governments in eastern Europe. We feel their gentle breezes in other parts of the world. The winds of freedom and democracy are blowing in the Soviet Union.

The choice is clear. That government can either harness the wind or it can attempt to resist it. The benefits of harnessing the wind are a people, proud of their land and able to dedicate themselves to making it better, to building a strong economy, to building a land based on compassion and the principles of democracy. To resist is to build anger and frustration, to build sadness and despair, and to ensure that economic reforms will not succeed. I think the choice is an obvious one.

I applaud our government for the actions that the minister has announced tonight. I would hope that actions such as those and others duplicating them around the world will assist Mr. Gorbachev in making his case in his country that he can either succeed in his negotiations with the west, build the new world order and a stronger, healthier Soviet economy, or he can go back to the old ways, face the enormous resistance that western countries will bring to bear on him and find that nothing will dig his country out of the economic pit into which it has fallen.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Thank you, Mr. Speaker, for giving me five minutes and thanks also to the "*bloc conservateur*" for giving me five minutes of their speaking time. As a member of the Bloc quebecois, I also wish to condemn the Soviet Union's actions against democracy and the Baltic peoples. Quebecers understand what it must feel like because they had the same experience in 1970. They too saw Canadian tanks roll in to repress a growing democracy. If we compare what is happening in Lithuania and in other countries throughout the world with what happened in Quebec during the October Crisis, we see many similarities. We remember that Canadian tanks entered Quebec and that the Canadian government suspended the rights of individuals as is happening today in Lithuania. They sent soldiers and tanks, like today in Lithuania. They arrested people without cause. More than 400 Quebecers were detained in prison, although they had no connection whatsoever with the October Crisis and had not been in involved in anti-social or other activities. These people were kept in prison and denied the right to call a lawyer. They were tortured. They were threatened as people are being threatened today in Lithuania, in the Baltic States. After those arrests, people lost their jobs forever and their reputations were smeared forever as well.

Mr. Speaker, no country in the world is immune from such abuse, such attacks on democracy. We must not turn a blind eye to our own actions that were also attacks on democracy.

Not long ago, Mr. Speaker, in 1989, China used tanks to subjugate democracy, and the House of Commons condemned that decision. In 1990, the House of Commons condemned the invasion of Kuwait by Iraq. In 1991, it condemns the invasion of Lithuania by Soviet tanks. But I may remind the House that in 1970, it remained silent when Canadian tanks entered Quebec to subjugate democracy.

However, after listening to speeches by hon. members this evening, I found their resolve to defend all parts of the world that are seeking democracy and sovereignty very reassuring. I am therefore very confident that in the future, Quebec will be a democratic and sovereign country and that members of this House will rise to defend it with as much zeal as they did this evening in defending Lithuania.

[*English*]

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I rise tonight to be part of this debate. I am really saddened by the developments. We have seen profound and regrettable acts by the U.S.S.R. against the Baltic states.

I have had the opportunity to visit the Soviet Union on three occasions, the most recent last June. There really were some signs of progress, progress in moving down the road towards democracy. But one only had to be there a few hours to know how fragile that progress was. Perhaps the many people in the Soviet Union and the Baltic states might have had their expectations too high because that road to democracy is going to take quite some time.

• (2150)

I want to commend the patience and the resolve of the people in the Baltic states. I want to commend the patience, as well, of the Canadians whose origins are Lithuanian, Latvian and Estonian. This year they will be organizing the 19th Baltic dinner, which they organized on the Hill to speak to parliamentarians and leaders about their important cause.

I would like to recount some of the statements, commitments and actions of the last two weeks. On January 8, this statement came from the Secretary of State for External Affairs:

> —Joe Clark, today expressed concern about the announced movement of military forces into the Baltic states, Ukraine and several other republics of the Soviet Union.
>
> "Our concerns have been forcefully conveyed today to the Soviet Ambassador," stated Mr. Clark. "We are urging restraint on all sides in this potentially dangerous situation".
>
> Mr. Clark called on Soviet authorities to refrain from further intimidation and the use of force, expressing the hope that solutions to the outstanding differences between the republics and Moscow can be negotiated.
>
> Mr. Clark recalled that Soviet Foreign Minister Shevardnadze had assured him several times that there would be no crackdown in the Baltic States, and that President Gorbachev had reaffirmed this to Prime Minister Mulroney.

On January 9, a letter was sent from the Canadian Parliamentary Group for the Baltic Peoples, signed by the chair, the hon. member for Scarborough Centre and the hon. member for Parkdale—High Park and, of course, the hon. member for Winnipeg Transcona was involved in this. It was sent to the Soviet ambassador in Canada, Mr. Richard Ovinnikov, and it states:

> On behalf of the Canadian Parliamentary Group for the Baltic Peoples, we wish to register our strong protest at the recent movement of Soviet troops into the Baltic states.
>
> This action is totally unacceptable and is contrary to previous statements made by your government. It was our expectation that negotiations would proceed in order to resolve the differences which exist between your government and the Baltic States.

Two days later, on January 11, this press release was issued, on behalf of Mr. Clark, and it stated, in part:

> "We deplore the use of force against the democratically elected government and the people of Lithuania," Mr. Clark stated. "Such actions are contrary to the assurances given to me by Foreign Minister Shevardnadze and repeated to Prime Minister Mulroney by President Gorbachev, that there would be no crackdown in the Baltics."
>
> Mr. Clark urged restraint in this dangerous situation and called on the Soviet authorities to refrain from further violence. He emphasized that the Soviet Union must adhere to its obligations under the Conference on Security and Co-operation in Europe (CSCE) and negotiate solutions based on the principles of the Helsinki Final Act.

Two days after that, January 13, a news release from the Prime Minister's office included these remarks:

> The Prime Minister deeply regrets that these actions have taken place, contrary to explicit assurances given to Canada by Mr. Gorbachev. The Prime Minister stressed the need for Mr. Gorbachev to quickly and unequivocally condemn such behaviour.
>
> The Prime Minister appealed for Mr. Gorbachev to show restraint and avoid further bloodshed. He urged the Soviet President to seek solutions consistent with the Helsinki Final Act, the Charter of Paris and the legitimate aspirations of Lithuania and the other Baltic states. Democracy cannot exist without respect for fundamental human rights and freedoms.
>
> The Prime Minister advised that Canada was reviewing its offer of technical assistance and new lines of credit for the purchase of foodstuffs.
>
> The Secretary of State for External Affairs said tonight that program has been suspended.

On January 15, two days after that, the special motion which was agreed to by all members was put to the House, and it reads:

> Be it resolved
>
> That this House condemns the brutal and unacceptable Soviet crackdown in Lithuania, and calls upon President Gorbachev and the U.S.S.R. authorities to refrain from using further violence against the people and democratically elected governments of Lithuania, Latvia, and Estonia.

On top of all that, just last evening we saw on television and heard the news that the Soviet Black Berets attacked and assaulted a building in Riga, Latvia. It is reported that four people were killed and at least 10 were injured. This is another regrettable backward step, a sad step, that is repugnant in the eyes of most people.

Canadians with roots in the Baltic countries are very concerned. They have been worried and frustrated for years but they had their hopes picked up in the last year or two. Now they have been dashed again by these developments.

I received a letter from Mr. and Mrs. A. P. Stanènas in Thornhill and I would like to read a bit of that, Mr. Speaker. It is addressed to me and it says:

> In view of the ongoing Soviet atrocities against the people and the government of Lithuania we urge you—
>
> (2) That you urge the Prime Minister of Canada to call for a meeting of the United Nations Security Council and to sponsor a resolution condemning the use of acts of bloodied aggression against the people of Lithuania and ordering the withdrawal of Soviet military forces out of the Republic of Lithuania.

Also, a few hours ago Mr. Voldemars Berkis, a Canadian from Latvia telephoned me very concerned and worried. He had several questions and I will just state two or three. Basically what he wanted to know was why the double standard, why do some infractions, why do some human rights violations seem to be dealt with more quickly than the problems in the Baltic states. Why not have this debated at the United Nations was another question.

He had many other concerns about the decades of talk without concrete action. What do you say to a man like that, Mr. Speaker, other than that all members on all sides of this House will try to stand together this time and really move toward concrete action.

Earlier today I asked the right hon. Secretary of State for External Affairs a question in the House. The gist of it was that the third round of the CSCE, which is emphasizing the human dimension, is being held in Moscow later this summer. The U.S.S.R. is hosting it so I asked the minister if we would give some thought to reconsidering being a participant and if some of these violations are not dealt with very quickly maybe we should withdraw from that conference. It sounds harsh but it is time for harsh action on behalf of the people of the Baltic states.

In closing, I want to assure all Canadians of Baltic origin that all members of this House are going to do every practical thing possible in the coming weeks and months to help them achieve that dream of theirs, that dream of independence, that dream of freedom, that somehow it will be reached and these atrocities and setbacks that have happened far too many times will be history.

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, it is a pleasure to have this opportunity to speak on this topic tonight, the special debate on the Baltic issue.

I want to thank the members of this House who have been so active in keeping this issue alive and being a driving force to make this debate happen tonight, the members for Scarborough Centre, Parkdale—High Park, and Winnipeg Transcona. Without their driving energy, quite possibly this debate would not have come tonight, even though I know all of us in this House have received phone calls from all over Canada asking that this House come together to consider this most important issue.

• (2200)

I want to thank the people in my riding of London—Middlesex whose origin and family ties are back to the Baltics. This community of several hundred families in London and southwestern Ontario has done a great deal to enrich the culture and the life of our community. It has been a great addition for all of us. The knowledge they have passed on to their fellow Canadians about their roots and their part of the world has helped all of us to a better understanding.

The lesson that we have learned from these people is one that I guess is not a big surprise to most Canadians, that these three countries were independent countries. They had self-determination.

Self-determination is really the point of my speech tonight, because clearly self-determination is on everyone's mind at the present time in the Persian Gulf, whether one is a Kuwaiti, a Palestinian, an Arab of another descent, or a Canadian who is fighting for the freedom of self-determination of those countries. We are all very interested in self-determination and, as

parliamentarians, this is the thing that we are pushing for the most.

The U.S.S.R.'s persistence in keeping self-determination from these three countries came as quite a surprise to us. Even though Gorbachev opened up the Soviet, and opened up this part of the world so that it looked like self-determination was possible with free elections for the first time, which some of my colleagues had the good fortune of witnessing, we are now finding out that in fact his intentions were not real. In the last few days, with brutal reality, the Black Berets have moved in and trampled the rights and trampled the growth of self-determination. These people and Canadians are indignant, and rightly so, to this action.

We have heard tonight from the Secretary of State for External Affairs that Canada has taken, through the actions of our Prime Minister and through his own department, some very dramatic and hopefully helpful gestures. One is freezing the $150 million help to the Soviet Union effective today, which I think was a very good move. But more than this is in order. As a group of parliamentarians committed to self-determination and to the rights of the Baltic people, we have to go further than this.

There has been talk tonight about acting on the recommendations all of us receive from our communities. I have met with the Baltic communities in London and London—Middlesex and found that their concerns were echoed here tonight in the House.

I hope that actions will be taken in the United Nations at the Security Council. We look forward to that. We have already talked about the government's action, which I hope will be a help.

Tonight, I see some of my colleagues in the House who are members of the executive of the Canada-Europe Parliamentary Association. That group has representation of all the parties in the House. Under the aegis of yourself, Sir, I think it can provide a very useful service to the newly elected governments of the three countries, as we have done with fledgling governments in Hungary, Czechoslovakia, and Poland.

The association has been very active and would like to be active in the Baltic countries in terms of helping them with their role as parliamentarians and helping them, through the eyes of other countries, to see their legitimate practice as they work towards maintaining their right of self-determination. Also, to put the backbone on that, these countries, these governments, and these parliamentarians need help in developing an economic infrastructure.

The Canada-Europe Parliamentary Association has worked very hard indeed with the parliaments of the other eastern European countries. In fact, over a period of a year, it has had some very significant results in terms of helping with their economic strengths.

As the economic strengths come together, so does the rigor of the people. When some citizens take it upon themselves to usurp the control of the government, as clearly is the case in Lithuania and certainly yesterday and today in Riga, where some members are saying that they see the elected government as being out of step with the realities of that particular country. Its goals are in effect going back to the U.S.S.R., using the Black Berets to come in and trample the rights of the elected governments which are in fact carrying almost the self-determination of the people of those states.

Clearly, they need to be strengthened as parliamentarians. They need all the help they can get from equivalent countries around the world and this Parliament. I think I can speak for all members in the House that we will definitely commit ourselves to this endeavour. Through the Canada-Europe Parliamentary Association, we want the communities in Canada from the three Baltic countries to know that all members are committed to working with the newly elected governments in those three countries.

We will find ways to work together so this base of parliamentarians which, as I said at the opening of my remarks, began with three of our colleagues who have taken this case up and have worked with Baltic Canadians in a very positive way to bring the issue in front of all Canadians. Thus all 26 million know now that it is not just in the Persian Gulf where self-determination is at risk, but, in fact, it is in northeast Europe where three countries, whom Canada has always recognized with the right to self determination, are very much finding their rights lost.

We want those people in Canada, as well in those three countries to know that this Parliament is strongly behind them. There is one association under your direction, Sir, which is going to make every effort to speed up this process and to help them through the

hurdles, so that that freshness of democracy can blow through.

Mr. Flis: I rise on a point of order, Mr. Speaker. This has been such an excellent debate tonight. We have had such excellent co-operation from everyone that I seek unanimous consent from the House to not see the clock for no later than 10.30. We have only two speakers left who need about five to seven minutes each.

The Acting Speaker (Mr. DeBlois): Does the House have unanimous consent to extend the sitting time for 10 to 15 minutes?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): Ten to 20 minutes?

Mr. Boyer: Why don't you give five minutes each.

The Acting Speaker (Mr. DeBlois): Five minutes each.

Mr. George Proud (Hillsborough): Mr. Speaker, as has already been said by others, it is indeed an honour to rise tonight to speak to this emergency resolution. This motion has come about as a result of the events that have taken place over the last number of days in the Baltic states and the increase in military activity in all of these areas. I feel strongly tonight that Canada's relationship with the Soviet Union must be revised.

• (2210)

As my colleague from Parkdale—High Park said earlier in the day, and I quote: "The Government of Canada must call on the United Nations to send observers to the region and recognize the consuls of the Baltic republics in Canada."

What is happening here is clear. As the world's attention remains focused on the Persian Gulf crisis, the communist government is beating and killing people in the Baltic states. The violence and death is escalating day by day.

Military action is occurring all over this area without any shame from the communist state of Mr. Gorbachev.

I would like to quote from a January 13, 1991 press release from the Prime Minister which states: "Canada was reviewing its offers of technical assistance and new lines of credit for the purchase of foodstuffs. Further escalation would have serious consequences for Canada–U.S.S.R. relations". I believe that we should stop immediately all offers of help to the U.S.S.R.

What I have heard this last week is not of reform, not of help, and not of understanding, but rather of violence. Sending 30,000 to 40,000 additional troops to the Baltic states within the span of two or three days is totally unjustified. It will and it has already incited civil unrest.

This man has received the Nobel Peace Prize, was voted man of the year by *Time* magazine, and has made so much change occur in the world in six or seven years. We have seen the democratization of so many places as a result of him. He has been upstaging western politicians and leaders for many, many years. He was the man who grabbed all the attention. It is almost unbelievable that this could happen, that this man would let this happen. It is hard to believe this after we saw the Berlin wall come down, and after we saw democracy returned to areas that had not seen it for 40 and 50 years. We have seen great changes occur in his own country.

Now, in light of all this, we see the beginning of the end. Was this truly this man? Is this really this man speaking, or is it something else that I fear to even suggest could be happening?

In closing, I would like to reiterate the Liberal policy position with regard to the Baltic states. First, we never did recognize the incorporation of Estonia, Latvia, and Lithuania into the Union of the Soviet Socialists Republic. Second, we categorically disapprove of the forcible incorporation of the Baltic states into the U.S.S.R.

The self-determination of the people of the Baltic states must be respected by Mr. Gorbachev. Furthermore, the Soviet Union is in violation of principles seven and eight of the Helsinki Final Act. The Soviet Union must come to understand that self-determination and respect for human rights and fundamental freedoms is a new world order. This has to be brought home. Mr. Gorbachev must be made to believe this. It is hard for

me to believe that after all that has happened in the last number of years that this could come about.

I want to commend all the speakers who have taken part in this debate. I want to say thank you and give the floor to my hon. colleague.

Mr. Joe Fontana (London East): Mr. Speaker, I thank the House for allowing me this opportunity to talk on a very important matter.

Let me first say how proud I am of the House when it can come together unanimously, as it should more often, in terms of this issue. Unanimously we have condemned the actions of the Soviet Union in its aggression towards these three Baltic states, and parliamentarians have been able to come together in a very non-partisan way and be supportive of these three independent states. I think that is commendable.

I also want to take this opportunity to thank and congratulate the government and the Prime Minister for moving quickly to indicate to Mikhail Gorbachev that what he has done is unacceptable.

I was impressed by the speech of the right hon. secretary of state who indicated that at least Canada is moving quickly and forcefully, perhaps not as forcefully as we would like, but I will get to that in a moment, to demonstrate our willingness and our political will to ensure that the Soviet Union understands clearly a very clear message again from Canada that we will not stand for this aggression toward these three independent states.

The government can do more, along with Parliament, to ensure that the message is not lost while the world's attention is directed to a very other important region of the world, the Middle East.

I also want to thank the members from Parkdale—High Park, Scarborough Centre, and Winnipeg Transcona, the chairpeople of the committee that seized this issue some time ago and made sure that parliamentarians were well aware of what the situation was.

I want to highlight a few points: The atrocity toward these three Baltic nations of Estonia, Lithuania and Latvia started 50 years ago. Fifty years ago that atrocity began by the U.S.S.R. when in fact it invaded, maybe not by the force that it is using today, but by the stroke of a pen it took away the independence of those three states. To this very day, those three Baltic states have been looking to the world and to Canada to essentially stand up and say that illegal annexation by the Soviet Union of those three independent republics should not have happened, cannot happen, and we cannot remain silent anymore.

I shared the joys—as many of you did—one year ago when in fact the democratic governments were elected. We shared their joys. I was in the church basement of the Lithuanian community in London, Ontario. One could see the tears of joy from the people as they heard the votes coming in to re-establish their independence, to rededicate their independence, and we shared that joy with them.

This past Sunday I shared their horror and their anguish at what was happening again to their countries when, in fact, the Soviet Union moved in to Lithuania and Latvia, essentially killing and brutalizing those people and those countries again.

It is absolutely necessary that we collectively indicate and show our political willingness that we are serious about this matter, that the world is serious, that Mikhail Gorbachev cannot hope to hide behind the veil of what is happening in the Persian Gulf to try to go in the back door and re-establish that illegal authority in those three Baltic states.

We, as parliamentarians, supporting those people and their free and democratic spirit and their willingness to exist in peaceful coalition, hopefully with the U.S.S.R., take this opportunity of demanding that the UN take this issue seriously and that the CSCE also look at this matter in a very serious manner. Also, that we, and our government, tell the Soviet Union and the new world order that the atrocities now perpetrated on these three Baltic states again cannot be tolerated any more.

If this government really wanted to demonstrate its true commitment to the three Baltic states, it would finally recognize these three Baltic states as truly independent states. While we have never recognized the illegal annexation of these three Baltic states by the U.S.S.R., I think it is most appropriate today or tomorrow for this government, along with Parliament, to

re-establish or re-dedicate themselves to recognizing and giving full diplomatic recognition to those three Baltic republics. That would show our political will in coming to grips with this crisis.

The Acting Speaker (Mr. DeBlois): It being 10.20 p.m., pursuant to order made earlier this day, I declare the motion carried.

[*Translation*]

The House stands adjourned until tomorrow at 5 p.m., pursuant to order made earlier today.

The House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Tuesday, January 22, 1991

The House met at 5 p.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

PERSIAN GULF CRISIS

SUPPORT FOR UNITED NATIONS

The House resumed from January 17 consideration of the motion of Mr. Clark (Yellowhead):

That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

And of the motion of Mrs. Collins:

That this question be now put.

Mr. Speaker: Pursuant to the order adopted on Monday, January 21, 1991,—

[*English*]

—the House will now hear from one representative of each party on government business, No. 27—

[*Translation*]

—regarding the Persian Gulf crisis for a period not to exceed 15 minutes each.

The Right hon. Prime minister now has the floor.

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I rise today to ask all members of the House to support Canada's efforts, as a member of the United Nations coalition, to expel Saddam Hussein from Kuwait.

I do so on the basis that sometimes, regrettably, war is necessary to secure peace. This is one such moment.

The war in the Persian Gulf did not begin on January 15 but, rather, on August 2 when Saddam Hussein invaded and occupied Kuwait brutally and entirely without provocation. Saddam Hussein's action threatened the entire region. It gave the world community the choice either to do nothing, as it had done so often in the past and acquiesce in the occupation by Iraq of a country one-tenth its size, or to respond—and the world responded.

The world decided to act within the framework established 46 years earlier in San Francisco, a framework Canadians helped build, namely, the all-important United Nations.

The world did not use force immediately to reverse Saddam Hussein's aggression. Rather, the response was both measured and prudent, giving diplomacy a chance to secure the peace.

From the beginning of August to the end of November, 12 resolutions were passed by the United Nations Security Council ordering Saddam Hussein out of Kuwait. Almost all of these resolutions were passed unanimously and many of them were drafted and, in some cases, co-sponsored by Canada which was then a member of the Security Council.

• (1710)

This unity of purpose in perspective reflected the totally unacceptable nature of Saddam Hussein's assault on the very important principle of peace and security. It reflected the new spirit of co-operation which had given new life and new hope to the United Nations when tensions between east and west ceased.

Twenty-eight nations sent forces to the gulf to enforce the sanctions. The last five months of 1990 and the first weeks of 1991 witnessed the most intense diplomacy in modern history.

At meetings of the United Nations, the Arab League, the European Community, the non-aligned movement, and among members of the Commonwealth—

[*Translation*]

—and among the most important members of the "Francophonie"—

[*English*]

—and in literally hundreds of contacts between leaders the world over—north and south, east and west, Muslim and non-Muslim, Arab and non-Arab—all avenues to peace were explored.

[*Translation*]

I am satisfied, Mr Speaker, that throughout these months Canada did all it could do diplomatically in the cause of peace. At this point, Mr. Speaker, perhaps I may pay tribute to the Secretary of State for External Affairs who did a remarkable job in difficult circumstances.

Some hon. members: Hear, hear!

Mr. Mulroney: But all avenues led only to the dead-end of Saddam Hussein's intransigence.

And so, on January 15th, after a final, 47—day pause for peace, coalition nations followed through with the use of force authorized by the United Nations.

Canada joined in that effort. We were determined to see the United Nations act as it said it would act if Saddam Hussein did not respond to the will of the international community, which had been clearly expressed on many occasions. We were determined to help secure the withdrawal of Saddam Hussein's forces from Kuwait and to help restore peace and security to the region, absolutely and entirely, as called for in UN Security Council resolution 678, whose passage was co-sponsored by Canada.

[*English*]

And so, we asked Canadian men and women to serve their country again, this time in the Persian Gulf, accepting the great personal risks that this entails.

These courageous men and women deserve our full support. We owe it to them, to their families, and to history to make our positions clear, to declare where we stand as representatives of the Canadian people. I can tell you where I stand as Prime Minister of Canada on behalf of the Government of Canada.

Some hon. members: Hear, hear.

Mr. Mulroney: Wishful thinking that evil will go away if we want it to badly enough has no place in serious decision making.

The question was asked, where do Canada's interests lie? How can Canada have interests, legitimate and immediate interests, in a serious conflict thousands of miles away?

The first interest that Canada has at stake is simple morality. A terrible wrong has been perpetrated in Kuwait by Saddam Hussein. The world community has a moral obligation to step in and to stop it.

The second interest we have in this conflict is the construction and maintenance of a system of international peace and security that has the capacity to deter aggression and, where necessary, to proceed with other nations to stop it.

For decades Canada has sought an effective system of international law and order based on the principle of collective security.

With the exception of Korea, we have been stymied in that effort by ideological confrontation—in fact, by the cold war—which paralysed the UN Security Council and which made collective security impossible. Collective security is not an alien objective. It is very much in the best of Canadian traditions.

Geoffrey Pearson, one of Canada's distinguished ambassadors, most recently our ambassador to the Soviet Union, spoke recently of the urgent crisis in the context of Canadian traditions how they have evolved over decades and over generations. Speaking last Sunday of his own family's very distinguished involvement in the building of those traditions, Geoffrey Pearson said:

> My father was not a pacifist. His policy was based above all on the UN's importance to preserving peace. But once war broke out, he felt that UN member countries should use military intervention to oppose an aggressor.

That, Mr. Speaker, is a Canadian article of faith, learned at the cost of countless lives, many of them Canadian, in two World Wars and in Korea.

But some Canadians, and some members of this House, I think quite legitimately and no doubt very sincerely, have asked: "Why now? And why here?". Some argue that because the United Nations did not always suppress aggression in the past that it should not not be called upon to do so now.

But when action was not taken in the past, when nations walked away from the United Nations and from their responsibility to uphold the United Nations, the organization was undermined. It's security role atrophied

and conflict followed conflict. That is not an argument, Mr. Speaker. It is simply a statement of history.

To say that because the United Nations did not work in the past that it should not be used in the present is to condemn the United Nations to perpetual irrelevance. Given Canada's vital interests in the preservation of multilateral order, we will never condemn an institution so vital to our national interests as the United Nations. We will never condemn that organization to irrelevance. On the contrary, we will work and work unrelentingly to bring it to life and to make it work for the common peace.

Some hon. members: Hear, hear.

Mr. Mulroney: If on January 15 the United Nations coalition had fragmented, or had indeed abdicated its responsibilities, I do not think it is inaccurate, Mr. Speaker, to say that the United Nations would have been discredited for decades to come and quite possibly forever. So it is a vital national Canadian interest.

The best hope we have for a safer world is to give the United Nations the indispensable help that it needs to work and in the process of it working, making peace work for all mankind.

[*Translation*]

The most serious—indeed troubling—question for many members in this debate has been as much about timing as about principle. Why could the world not wait and give sanctions and diplomacy more time?

It is the view of this governement—and the view of virtually every other U.N. coalition member—that the risks and costs of waiting had become too great to tolerate. If sanctions alone had continued, the plunder of Kuwait would also have continued. When this House debated this issue in September and again in November, Amnesty International had not yet documented the terrible reality of Iraqi brutality—the unplugging of the incubators of Kuwaiti babies, the assaults on Kuwaiti women, the execution of young Kuwaiti men before the eyes of their parents and their brothers and sisters.

We know now. We know as well that over half of Kuwait's population has fled in terror. What would have been left of Kuwait if the world had waited another 6 months, or 16 months or 60 months, or however long it would have taken sanctions to affect Iraq's military capacity, if they ever did? We know now that Saddam Hussein used the pause for peace not for diplomacy but to lay plans for terrorism and to build his defences.

• (1720)

He did not prepare for peace. He did not even explore the path to peace but instead prepared to launch missiles at innocent civilians in Israel and Saudi Arabia.

[*English*]

Those criminal terrorist acts continued this afternoon.

One week ago today, in my address to this House, I said:

> The argument is made by some that Canada should hold itself back now in order to play a peacekeeping role later. Were Saddam Hussein to succeed in his annexation of Kuwait, he would be in a position to threaten the entire Middle East, and he is the process of threatening individual nations as we speak.

That was one week ago.

I went on with:

> With the time and the wealth he would gain and acquire, he would add further weapons of mass destruction to his arsenal, including in all probability nuclear weapons. In what position would this put his neighbours? After Iran and Kuwait, what would be his next target? Saudi Arabia? Jordan? Would we hold ourselves back again, waiting for the latest atrocities to end so that Canada might then be invited in as part of a peacekeeping force?
>
> Saddam Hussein has threatened directly to attack Israel with weapons of mass destruction. In the face of extraordinary provocation from Iraq, as evidenced by Foreign Minister Aziz' deplorably aggressive threat from Geneva last week directly to mount an assault on Israel, Israel has demonstrated remarkable restraint.
>
> Should Saddam Hussein move against Israel, would we still hold ourselves back in the hope that we would be called in later to help keep what is left of the peace in what is left of the Middle East?
>
> This course is a prescription for neither wisdom nor responsibility and it is not a course that Canada should follow.

Those were my thoughts last week, and most leaders around the world shared the view that I conveyed to the House.

Just hours ago, Saddam Hussein unleashed another unprovoked attack on innocent civilians in Israel. Men, women and children in Israel have become targets in the lethal shelling of that nation by Scud missiles fired from Iraq. Among the reasons that this government stood firm last week when the critical hour came and will continue that policy of firmness until peace has been secured was that we had resolved never to remain silent and indifferent while Israel was threatened with mass destruction

and that same philosophy applies to the coalition of nations which fight for freedom in the region today.

Some hon. members: Hear, hear.

Mr. Mulroney: Mr. Speaker, this war is about fundamental principle and the kind of world we must create. There is no evidence that sanctions were achieving their objective, the withdrawal of Saddam Hussein's forces from Iraq. In fact, our experience with sanctions over the last five and a half months, while having noted some progress which I will allude to momentarily, was far from encouraging. There is no doubt that the Iraqi economy was being affected.

[*Translation*]

Imports and exports were heavily affected. Rationing had become more widespread. Prices for some goods had increased dramatically. Some factories were closed. But we also know that some foodstuffs and commodities were getting through the embargo.

And that during the period when Saddam Hussein was reducing rations to his own people, he was increasing the rations for his army.

Would the world have persevered with sanctions and would the coalition have held if Iraqi and Kuwaiti citizens strayed while Iraqi forces sat tight in Kuwait?

This is a man who inflicted the ultimate sanction on his own people—perhaps a half-million casualties in an eight-year war with Iran that he, himself, started.

This is a man who used gas in war and who turned it on his own citizens.

This is a man who took tens of thousands of people hostage. This is a man who is using rockets to attack civilian population centres, not military installations. This is a man who violated the Geneva convention abusing prisoners of war and threatening to use them as human shields to protect his weapons.

Since we last debated the gulf crisis in November, we have all been able to make a better assessment of this man.

Knowing what we know now, there cannot be many of us who still think that sanctions alone would have stopped him. It might have been possible to believe that when we first debated this crisis in September or even in November. But there cannot be many of us who are confident of that judgment now.

None of us in this House wants war. But sometimes it is necessary to fight for peace. And this is one of those times.

[*English*]

I believe as a nation we must bear our burden in doing by force what diplomacy and sanctions could not do. We must secure Saddam Hussein's withdrawal from Kuwait as 12 United Nations Security Council resolutions demand. We must maintain solidarity with our coalition partners within the region and outside it, many of whom are bearing a far larger burden than we. What would the world think of us if we withdrew our forces when the going got tough—

Mr. Speaker: I wonder if I could just remind the right hon. Prime Minister that we are bound by 15 minutes in the address. I am sure the House would indulge the right hon. Prime Minister and, of course, the same should be expected in the other speeches.

Some hon. members: Agreed.

Mr. Mulroney: Thank you, Mr. Speaker, and my thanks to the Leader of the Opposition and the Leader of the New Democratic Party.

What would the world think of us if we withdrew our forces when the going got tough and we retired to the sidelines? More important, what would we as Canadians think of ourselves? Canada will do its share.

[*Translation*]

I can tell Canadians that we have the full capacity now to meet the obligations we have assumed and that all of our obligations can be met without the introduction of a policy of conscription.

[*English*]

All members of this House want to see this conflict end. Of that, there can be absolutely no doubt. Some members argue that we should have a pause in the conflict now.

[*Translation*]

In our view, such a pause would be counterproductive. Resolution 678—the resolution that Canada co-sponso-

red—has already provided a pause. The government sees no point in pausing again. The proper response to Saddam Hussein's intransigence and brutality is not to reward him with a respite from the war he started. It is in no one's interest to make it any easier for him to position more missiles to attack the cities of Israel and Saudi Arabia. And we are not going to take a chance at letting him regroup, rebuild his damaged infrastucture, and deepen his defences.

The first order of business is to win the war. The second order of business is to win the peace.

Saddam Hussein has exploited the fissures and fractures of the most volatile region in the world.

[*English*]

This is a region where weapons of mass destruction exist. This is a region that has made arms merchants rich. It is a region where many are poor and politics are notoriously unstable. The history of this region is that one war has simply set the stage for the next war and, in the process of doing that, many of the legitimate claims of peoples in the area have been unaddressed, unresolved, and persist to this very day.

• (1730)

While the battles continue and Kuwait is being freed, while the United Nations resolutions are being implemented, Canadian diplomats have begun to consider what to do afterward to bring peace and security to this turbulent region. The military victory we seek will be short and bitter, if we do not build a just and a durable peace. We will spare no effort in seeking solutions to these problems.

Seeking solutions to these problems starts and ends with the United Nations because, if the United Nations is not strengthened in the course of these debates and these actions, there will not be the viable instrument required by the entire world to shape a durable peace in the Middle East when hostilities are over. And that goes to the very heart of why Canada is in the Middle East today with our troops. We are there to defend the fundamental interests of the United Nations because, when we are defending the United Nations, Canada is defending the cause of a future peace.

Some hon. members: Hear, hear.

Mr. Mulroney: So, if we succeed in maintaining our unity of purpose now, the problems of this region can be addressed by a United Nations that has successfully stood the test of an important crisis. If we do not succeed in maintaining our unity of purpose, those problems will fester in the face of a discredited United Nations.

Throughout this crisis the government has taken a clear and a consistent position. We have opposed aggression, we have supported the United Nations, and we have determined that Canada will carry its share of the burden in the defence of freedom. There has been no shift of position, and no one can be in doubt where the government has stood from the very beginning.

Last November, in the second of three debates that this House has had on the gulf crisis, the government outlined Canadian interests, stated our intention to support the will of the UN, and set out what action might be necessary if Saddam Hussein continued to defy the world. These issues were debated fully at the time, and since January 15 we have debated whether or not to continue to support the United Nations and its resolutions.

Since August 2, this House has debated Canadian policy toward the gulf crisis for over 75 hours. The debate has been much more extensive here than in the United Kingdom, Australia, France, the United States or other democracies around the world. It is very much a tribute to all parliamentarians that they insisted and obtained a debate of these dimensions on such a vital problem affecting world peace.

Parliament has had many opportunities to express itself on the principles that have been defended here, as it should, and the government has assumed responsibility for its decisions, as it must. We are confident that we have followed both the letter of the law and the spirit of the law. I call on all members, including those members who may have reasons they have eloquently explained on the floor of this House in different circumstances, to support the motion before the House today to reaffirm Canada's support for the United Nations.

No Canadian wanted this war. Every Canadian wanted peace. The choice that Saddam Hussein was given was one between war and peace, and he unfortunately chose war. Given his deliberate choice, Canada has followed a resolute and unswerving course. We have chosen to stand with the United Nations, we have chosen to stand against aggression, and we have chosen to stand up and

be counted when freedom and world peace were under serious challenge.

On December 11, 1957, Lester Pearson—

Some hon. members: Order.

Mr. Speaker: I am in some difficulty. I would ask the right hon. Prime Minister to close his remarks as soon as possible.

Mr. Mulroney: Mr. Speaker, I regret going somewhat overtime. I apologize to members of the House. I will be happy to conclude in a moment and I will be happy to reciprocate, as I have indicated, by extending to my hon. friends, the Leader of the Opposition and the Leader of the New Democratic Party, all the time that they need to make their points of view known on a very important question.

If I may, Mr. Speaker, I will be happy to conclude; it will take a moment. If my hon. friends will give me the moment to conclude, I will be happy to do so. I know that we will accord the same courtesy to all members of the House. I simply wanted to conclude by quoting Mr. Pearson when he accepted the Nobel peace prize. He said:

> There can be no enduring and creative peace if people are unfree. The instinct for personal and national freedom cannot be destroyed, and the attempt to do so by totalitarian and despotic government will ultimately make not only for internal trouble but for international conflict.

Let us decide together, today, Mr. Speaker, to support the United Nations in its deeds as well as its words.

Let us help to free Kuwait. And let us work together to restore peace and security in that important region, confident that, having done the right thing today, we can look forward to a more peaceful world tomorrow.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I rise in the House today to speak before a nation at war.

We are appalled by the brutal treatment Iraq gives its prisoners of war and by its cynical attacks on Israel. Less than a week after the war began, many have lost their lives, and material destruction is increasing hour by hour. That is the tragedy of war, Mr. Speaker.

As a member of this House, for the greater part of my life I have done my best to serve the Canadian people. During those years—in Parliament, in cabinet and in the opposition—I learned a lot about Canada and Canadians. I learned among other things that Canada is a peace-loving country. Internationally, we have built a reputation as peacekeepers, not policemen. We must thank the Pearsons and the Trudeaus who gave us a legacy of which we are so proud today.

I said before that we did not give peace a chance in the Persian Gulf.

Some hon. members: Hear, hear.

Mr. Chrétien: And I still say so.

During the past few days, I have spoken to Canadians from coast to coast. I also consulted with my colleagues in caucus. This war is not an easy matter to discuss for any member of this House.

We all agree on the objectives: to get the Iraqis out of Kuwait. We all agree that Saddam Hussein is a tyrant. He proved that when he invaded and occupied Kuwait last August. By attacking Israel last week and again today, without provocation, he gave us further proof. By mistreating hostages and prisoners, he completed the case against him.

When the Security Council voted in favour of economic sanctions against Iraq on August 6, the Liberals supported that decision. When on August 25, the Security Council authorized the use of military force to enforce sanctions, the Liberals again supported its decision.

• (1740)

When the government tabled in the House a resolution condemning Saddam Hussein and expanding the UN role, the Liberals supported this motion as well. In November, however, when the government tabled another motion, this time allowing the use of force, the Liberals said: No, not now. We told the House and we told Canadians a war could still be averted. The embargo and the sanctions had been in place for only a few weeks and could not have made an impact.

[*English*]

Diplomatic initiatives needed more time. We had feared that the imposition of an early deadline was merely an ultimatum that would inevitably lead to a war. Unfortunately we were right.

We made the argument that if the new world order is to succeed, it cannot begin by attempting to legitimize the hasty use of force. We believe the primary goal of the United Nations must be the rule of law, not the use of force. And, if the United Nations is to be effective, it must advocate the use of force only as a last resort and then only under the UN flag.

Last week, on January 14, before the war began, we again urged Parliament to give sanctions and diplomacy more time and to hold off on the early use of force.

Some may fault us for our caution, but I make no apologies. When the lives of human beings are at stake, when the ecology of the planet is at stake, when the future stability of the Middle East is at stake, we will always exercise caution.

Some hon. members: Hear, hear.

Mr. Chrétien: For its part, the New Democratic Party told us that force should never be used. We reject that view.

The government, on the other hand, was prepared to rush us into war. By rejecting our amendment last week, the government gave the green light to the early use of force.

Now it is too late. We will never know whether diplomacy, embargoes, and sanctions would have worked, never. They have given way to bullets and bombs. And war, contrary to what some may think, is not like a chess game. In war, sometimes the pieces fall off the board.

Nevertheless, whatever our views as to the wisdom of an early war, last Wednesday the government rejected our amendment to maintain sanctions. That same evening, war came to the Persian Gulf. The next night Iraq attacked Israel, a non-combatant state.

Today, therefore, we are faced with a new set of circumstances. The situation has changed since last Tuesday. The tragedy of war is with us once again. We must now work to ensure that it is as brief as possible. We must make every effort to create a long-lasting, stable, post-war peace throughout the Middle East.

And we deplore the fact that it may be more difficult for Canada to act as a peacekeeper after this war has come to an end. But we can still help to make a lasting peace. To do so, we must be vigilant and take every opportunity to bring the war to a speedy conclusion, and bring an enduring peace to the Middle East.

Liberals want to respond to the concerns of Canadians. Today, I have announced that we will establish a task force on peace in the Middle East. This task force will be made up of members—

Some hon. members: Hear, hear.

Mr. Chrétien: This task force will be made of members of the Liberal caucus and concerned Canadians. Liberals want to help find peace for this troubled region.

Today, after war has begun, we are being called upon to vote on a resolution. It reads:

> That this House reaffirms its support of the United Nations in ending the aggression by Iraq against Kuwait.

We on this side of the House believe that this resolution should have been brought to a vote before January 15, as was done in the U.S. Congress. Then, such a resolution would have been relevant. Today, it is not relevant. War has started. The government has committed our troops.

We are very concerned about the Canadian men and women who are now at war. They are putting their lives at risk, and they must know that Canadians are solidly behind them.

We believe that the resolution we are voting on tonight should have been written accordingly. It should simply have stated that this House of Commons affirms its support for our troops in the gulf; the government was not interested in conveying that clear message.

Yesterday, I approached the Prime Minister. I urged him to accept a new resolution instead of the one we are debating now. I urge him to accept a new resolution stating:

> Given that hostilities have broken out in the Persian Gulf, and given that Canada is a participant in the coalition, this House reaffirms its support of Canadian forces in the Persian Gulf.

Mr. Speaker, the Prime Minister refused. In the circumstances, we on this side of the House recognized that many would try to interpret a vote tonight against

the government's resolution as a vote against our troops and a vote for Saddam Hussein.

[*Translation*]

Mr. Speaker, we firmly believe that we must do nothing that could be twisted and used to demoralize our troops. For this reason, because we stand squarely behind our Canadian forces in the gulf, we will vote in favour of the motion.

Some hon. members: Hear, hear.

Mr. Chrétien: However, our vote does not mean that we approve of the government's actions. This vote does not approve of the Conservatives' management of this crisis before the war broke out. Nor is this a vote to approve all the government's actions since the war broke out or its future actions.

[*English*]

I repeat, we feel very strongly that we must not do anything that could be distorted and used to demoralize our troops.

• (1750)

Some hon. members: Hear, hear.

Mr. Chrétien: For that reason—because we support our Canadian forces in the gulf—we will vote for the resolution. Our vote shall not be interpreted, however, as support for the way in which the government has handled this matter. It is not a vote for the government's handling of this crisis before the war began. Nor is it a vote which condones all the government's actions since the war began, or in the days ahead.

The choice we make today, Mr. Speaker, is to offer our support to our sons and daughters who are serving their country in the Persian Gulf.

Some hon. members: Hear, hear.

Mr. Chrétien: It is for this reason, now that we are in war, as I said last Wednesday night we have to be behind our troops who are fighting there.

We pray to God they will be coming back to Canada as soon as possible.

Some hon. members: Hear, hear.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, a great deal has occurred since we began debating this motion last week. Last week war was a possibility; today it is a reality.

It is reality too that we are all shocked by the faces of the prisoners of war, the unprovoked bombing of Israel and with the loss of many lives, although we do not have details, except for those provided by some of the American reports and others. I think most of us know that there must be a much greater loss of life than we are aware of. These are the real images of war.

Because so much has happened since last week, I think it is important to reiterate what it is we are debating today. We are not debating whether or not our Canadian military is made up of brave men and women. We are not debating the United Nations. We are debating whether Canada should have participated in the war.

Some hon. members: Hear, hear.

Ms. McLaughlin: We have consistently opposed Canada's participation in this war because we do not believe that economic sanctions and diplomatic measures were given a full chance. We do believe that the January 15 deadline was an artificial one; one that give a momentum towards war, instead of a real pause for peace.

We believe, Mr. Speaker, that the United Nations should not be authorizing member countries to go to war. Let us remember that these are not forces which are under the United Nations flag.

Some hon. members: Hear, hear.

Ms. McLaughlin: This resolution authorized the use of force by any of the signing countries.

Finally, common sense tells us that Canada can make a contribution, but that Canada can make a more valuable contribution than simply as a participant in the military force.

In dealing with this issue, Mr. Speaker, we are confronted with three options: the options of supporting and the strengthening of economic sanctions; of renewing and continuing diplomatic efforts; or with war. Every option contained risks. The options of sanctions and diplomacy have the risks that come with time. The option of war contains the risk of loss of human life as well as economic, political and environmental disaster. One set of risks must be weighed against the other set of risks when making these decisions. We weighed these options

and we decided that the tragic consequences of war were too high not to give diplomacy and economic sanctions a chance.

[*Translation*]

A week ago, Mr. Speaker, I stood in the House to explain that my party is against this war, that my party is against Canada's offensive participation.

Mr. Speaker, again I rise today to tell you that my party's position remains unchanged.

Some hon. members: Hear, hear.

Ms. McLaughlin: We stand firm: our commitment to peace is irreversible. This is why we are going to vote against this resolution.

[*English*]

Everyone in this House cares deeply about the young men and women serving in the gulf. We pray for their safe return and we share the anguish of their families. At the same time, we remind the government why our troops were sent to the Persian Gulf. They were sent to enforce economic sanctions, an action which they accomplished with pride.

[*Translation*]

As this debate is drawing to a close, Mr. Speaker, I should like to talk about what this war means to the United Nations and about the role Canada might play to promote peace.

The Prime Minister suggests that failure to support this war is tantamount to betraying the United Nations and its objectives. I totally disagree. Mr. Speaker, only 28 of the 150 UN member countries have joined the coalition, and less than half of these 28 countries are taking part in the military offensive manoeuvres.

Is the government suggesting that these countries—in excess of 100, a majority which is not involved in this offensive war—could not care less about the United Nations or do not believe in the future of the organization? I say no, that is not the case! Does it suggest that these countries are less intent on calling for Saddam Hussein's withdrawal from Kuwait? I say no.

[*English*]

We may stand alone today in this House in opposing this war, but we do not stand alone among Canadians. The former Canadian ambassador to the United Nations Stephen Lewis, and the former ambassador to the United Nations on peace and disarmament, Douglas Roche oppose the war. To oppose this war is not to oppose the United Nations, it is to oppose a militaristic vision of the United Nations.

The Prime Minister said quite rightly that wishful thinking will not make evil go away. No one here is talking about wishful thinking. What we are talking about today is the meaningful role that Canada might play and the future that the United Nations must adopt if we are to find that vision of a new world order when conciliation replaces threats, where justice replaces vengeance, where dialogue replaces destruction and where collective international action is based on protecting lives instead of on waging war.

Some hon. members: Hear, hear.

• (1800)

Ms. McLaughlin: Mr. Speaker, that is my party's vision and that is why we will not support the government's motion. We are not voting against the United Nations, we are voting against this war.

[*Translation*]

But, Mr. Speaker, we are at war, a war which may be long and difficult, and which will cost dearly in terms of human lives, economic repercussions, environmental impact, and the future prospects of that region.

In less than a week censored television reports have made us witnesses to massive bombing raids over Baghdad and other cities in Israel. We watched with horror some of the videos on prisoners of war. Unfortunately, Mr. Speaker, it did not come as a surprise because that is precisely what people had predicted.

[*English*]

That is why we said the risk of war does not need to be taken at this time. We must pursue to the end the other alternatives, before we make that decision.

There is no one in my party, no one in the House, and no one in Canada who is not appalled by what we have seen in the images of war. The question now is: What should Canada do? What meaningful role can Canada best play in contributing to the end of this war, the removal of Iraqi forces from Kuwait, which we all agree

is the objective, and the establishment of a lasting and just peace in the Middle East?

The government clearly believes that an offensive military role is the role that Canada should play. The Liberal Party is in agreement with it. But my party disagrees.

To play a meaningful role, we can provide other services equally needed by deploying our military services to continue to provide medical assistance. We can undertake a number of initiatives, such as using the Canadian forces to assist the hundreds of thousands of refugees that this war is creating, using Canadian vessels to escort ships carrying desperately needed aid in the Horn of Africa, and increasing funding and support for the International Red Cross.

Some hon. members: Hear, hear.

Ms. McLaughlin: Canada can be boldly pursuing with vigour diplomatic initiatives at the United Nations which show promise of a negotiated resolution to a war.

One of the greatest tragedies in this, when we talk about the meaningful role for Canada, and where we can be most effective, struck me this morning as I read an article in *The Toronto Star* by a reporter in Jordan. He had been threatened with beatings. He wrote: "Once welcomed as peacekeepers and honest brokers throughout the Arab world, we join the enemies' ranks in the eyes of many Jordanians."

That was the risk. As well as being involved in the offensive aspect of this war, we have lost so much of our credibility to participate and provide an effective role in the mediation and peacekeeping aspects.

Some hon. members: Hear, hear.

Ms. McLaughlin: Throughout this debate, I and my colleagues have attempted to put forward our view, but also to put forward our alternatives. I have forwarded some of these alternatives to the Secretary of State for External Affairs as he requested me to do last week.

In these ways, we believe Canada can play a useful and constructive role. We will not be a participant in the war, but a true maker of peace.

Some hon. members: Hear, hear.

Ms. McLaughlin: I want to close today on a more personal note. I, like many others in the House, have travelled in my riding and in others areas in the past couple of days. We can all appreciate what a difficult time this is for Canadians. On the one hand, everyone agrees that aggressors like Saddam Hussein must be stopped. Yet, on the other hand, there is a great reluctance to see Canada involved in a war.

The government says war is the only way. My party says there is another way, a peaceful way. Our position is clear, the position of my party is clear. We have listened to all sides of the debate, but this war, and the devastation and death it brings with it, is not the solution in our opinion. It is not the way to begin a new world order.

Just one year ago, there was so much promise. There seemed to be real hope for a more just world. War is a betrayal of that hope. War represents the same old way of doing things. War is madness. The option of killing people to resolve disputes must disappear in a new world order.

Some hon. members: Hear, hear.

Ms. McLaughlin: Finally, I realize that a change in government policy would require courage and strength: courage to tell a close friend that you might disagree; strength to play the role of peacemaker when others are intent on war.

[*Translation*]

This war will indeed cause the death of hundreds of thousands of innocent people. They are paying the price of this war. Families are suffering as a result of decisions made by politicians.

Canada must seek to put an end to this war, put an end to it for the families of Canadian men and women in the gulf, put an end to it for Israeli families, put an end to it for families everywhere.

[*English*]

We say let the voice of Canada be a voice for peace, a strong and clear voice of hope for a true new world order, a new way of doing things which will provide hope for all Canadians and for everyone throughout the world.

Some hon. members: Hear, hear.

Mr. Speaker: Pursuant to order made on Monday, January 21, 1991, the House will now proceed to the taking of the deferred division on the motion of Mrs.

Collins to the previous question on Government Business No. 27, concerning the Persian Gulf crisis.

The hon. member for Calgary West, on a point of order.

Mr. Hawkes: Mr. Speaker, there have been consultations and the motion does require you to ring what is called a 15-minute bell. I think there is a predisposition in the House to let the bell ring for perhaps one or two minutes and we will come down the aisle. You can have that expectation that the House will be ready for the vote in somewhat less than the 15 minutes.

Mr. Speaker: The hon. member for Calgary West has given the House a suggestion. Is it agreed?

Some hon. members: Agreed.

Mr. Speaker: The first question is on the motion of Mrs. Collins. Call in the members.

And the division bells having rung:

Mr. Speaker: All those in favour of the motion will please rise.

Some hon. members: On division.

Mr. Speaker: Agreed to on division.

The next question is on the main motion.

Is the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Mr. Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some hon. members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 389*)

YEAS

Members

Anawak
Andre
Assad
Attewell
Beatty
Bellemare
Berger
Bevilacqua
Bjornson
Blais
Bosley
Boudria
Boyer
Browes
Cadieux
Campbell (South West Nova)
Cardiff
Chadwick
Charest
Clancy
Clark (Brandon—Souris)
Cole
Comuzzi
Cooper
Corbeil
Couture
Crosby (Halifax West)
Darling
de Cotret
Desjardins
Dingwall
Dobbie
Dorin
Duplessis
Epp
Feltham
Ferland
Flis
Fontana
Fretz
Gaffney
Gauthier
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Guarnieri
Gustafson
Harb
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Jelinek
Joncas
Jourdenais
Keyes
Kilgour (Edmonton Southeast)
Landry
Lapierre
Layton
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDonald (Dartmouth)
MacKay
MacLellan
Manley
Marin
Martin (Lasalle—Émard)
Masse
Mazankowski
McDermid
McGuire
McLean
Mifflin
Mills
Moore
Nicholson
Anderson
Arseneault
Atkinson
Axworthy (Winnipeg South Centre)
Bélair
Belsher
Bertrand
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Caccia
Callbeck
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chrétien
Clark (Yellowhead)
Clifford
Collins
Cook
Copps
Côté
Crawford
Danis
DeBlois
Della Noce
Dick
Dionne
Domm
Duhamel
Edwards
Fee
Ferguson
Finestone
Fontaine
Foster
Friesen
Gagliano
Gibeau
Gray (Windsor West)
Grey (Beaver River)
Guilbault
Halliday
Harvard
Hawkes
Hockin
Hopkins
Horning
Hughes
James
Johnson
Jordan
Kempling
Kilger (Stormont—Dundas)
Koury
Langlois
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lee
Littlechild
Lopez
MacDonald (Rosedale)
MacDougall (Timiskaming)
MacLaren
Malone
Marchi
Marleau
Martin (Lincoln)
Mayer
McCreath
McDougall (St. Paul's)
McKnight
Merrithew
Milliken
Monteith
Mulroney
Nowlan

Nunziata
O'Kurley
Paproski
Peterson
Pickard
Porter
Proud
Reid
Ricard
Rideout
Rompkey
Saint-Julien
Shields
Simmons
Soetens
Speller
Tardif
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vanclief
Venne
Vien
Volpe
Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy
Oberle
Pagtakhan
Parent
Phinney
Plourde
Pronovost
Redway
Reimer
Richardson
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Sobeski
Sparrow
Stevenson
Tétreault
Thompson
Tobin
Tremblay (Lotbinière)
Valcourt
Van de Walle
Vézina
Vincent
Walker
White
Wood
Young (Acadie—Bathurst)—217

NAYS

Members

Allmand
Angus
Barrett
Black
Blaikie
Brewin
Catterall
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Blackburn (Brant)
Breaugh
Butland
Duceppe
Edmonston
Fulton
Gardiner
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
McLaughlin
Nystrom
Plamondon
Riis
Rodriguez
Skelly (North Island—Powell River)
Stewart
Taylor
Waddell
Young (Beaches—Woodbine)—47
Fisher
Funk
Harvey (Edmonton East)
Hovdebo
Karpoff
Langan (Mission—Coquitlam)
Laporte
Murphy
Parker
Prud'homme
Robinson
Samson
Skelly (Comox—Alberni)
Stupich
Tremblay (Rosemont)
Whittaker

Mr. Speaker: I declare the motion carried.

The hon. member on a point of order.

Mr. Corbett: I simply want to express to the House, Mr. Speaker, that due to a problem in communications within my own office, I was not aware that the vote was being taken when it was being taken. Had it been apparent to me that the vote was taking place, I would have voted with the government. I believe very strongly that we have taken the proper position this evening.

Mr. Speaker: It being 6.30 p.m., pursuant to order made Monday, January 21, 1991, this House stands adjourned to the call of the Chair.

The House adjourned at 6.28 p.m.

HOUSE OF COMMONS

Friday, February 1, 1991

The House met at 12.35 p.m.

Prayers

[*English*]

The Acting Speaker (Mr. Paproski): I wish to inform the House that, in accordance with the order made Monday, January 21, 1991, I have recalled the House this day for the sole purpose of granting Royal Assent to certain bills.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that messages have been received from the Senate informing this House that the Senate have passed the following bills, without amendment: Bill C-37, an act to establish the Canadian Heritage Languages Institute; Bill C-63, an act to establish the Canadian Race Relations Foundation; Bill C-260, an act to amend the Canada Pension Plan (spousal agreement); Bill C-69, an act to amend certain statutes to enable the restraint of government expenditures; Bill C-84, an act respecting privatization of the national petroleum company of Canada; Bill C-40, an act respecting broadcasting and to amend certain acts in relation thereto and in relation to radiocommunication; Bill C-223, an act respecting a Day of Mourning for Persons Killed or Injured in the Workplace; Bill C-88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development; and Bill C-81, an act to implement the United Nations Convention on Contracts for the International Sale of Goods.

* * *

THE ROYAL ASSENT

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that a communication has been received which is as follows:

Government House
Ottawa

February 1st, 1991

Mr. Speaker,

I have the honour to inform you that the Right Honourable Antonio Lamer, Chief Justice of the Supreme Court of Canada, in his capacity as Deputy Government General, will proceed to the Senate Chamber today, the 1st day of February, 1991, at 12.20 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Judith A. LaRocque
Secretary to the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Right Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Acting Speaker (Mr. Paproski) with the House went up to the Senate chamber.

And being returned:

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that when the House went up to the Senate chamber the Right Honourable the Deputy to the Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-72, an act to establish the Canadian Polar Commission and to amend certain acts in consequence thereof—Chapter No. 6.

Bill C-37, an act to establish the Canadian Heritage Languages Institute—Chapter 7.

Bill C-63, an act to establish the Canadian Race Relations Foundation—Chapter 8.

Bill C-69, an act to amend certain statutes to enable restraint of government expenditures—Chapter 9.

Bill C-84, an act respecting the privatization of the national petroleum company of Canada—Chapter 10.

Bill C-40, an act respecting broadcasting and to amend certain acts in relation thereto and in relation to radiocommunication—Chapter 11.

Bill C-88, an act to provide for the membership of Canada in the European Bank for Reconstruction and Development—Chapter 12.

The Royal Assent

Bill C-81, an act to implement the United Nations Convention on Contracts for the International Sale of Goods—Chapter 13.

Bill C-260, an act to amend the Canada Pension Plan (spousal agreement)—Chapter 14.

Bill C-223, an act respecting a day of mourning for persons killed or injured in the workplace—Chapter 15.

Pursuant to Order made Monday, January 21, 1991, this House stands further adjourned to the call of the Chair.

The House adjourned at 12.55 p.m.

HOUSE OF COMMONS

Monday, February 25, 1991

The House met at 2 p.m.

Prayers

[*Translation*]

HOUSE OF COMMONS

CALLING BACK OF THE HOUSE

Mr. Speaker: I wish to inform the House that pursuant to the order of the House adopted on Monday, January 21, 1991, and the provisions of Standing Order 28(3), I sent a notice calling the House to meet this day, and I now lay this notice on the Table.

In addition, on Thursday, February 21, 1991, I sent each member a message by electronic mail explaining the reasons for calling back the House.

[*English*]

I also wish to inform the House that in accordance with the representation made by the government under the provisions of Standing Order 55(1), I have caused to be published a special Order Paper giving notices of a government motion and of a government bill.

[*Translation*]

I also wish to lay on the Table a letter from the Leader of the Government in the House of Commons, dated Wednesday, February 20, 1991.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE LATE CLAYTON D'ENTREMONT

Mrs. Coline Campbell (South West Nova): Mr. Speaker, on February 14 the inshore ground fishery in southwestern Nova Scotia lost a pillar and a tireless advocate in the fisheries when Clayton d'Entremont of Meteghan and West Pubnico was killed in a car accident at the age of 38.

I knew Clayton well, Mr. Speaker, and I was always impressed with the depth of his commitment to the cause of independent fishermen and processors. During a time when a strong voice was needed for the inshore, Clayton was always there making the best case he could on countless fishery advisory committees.

People of the quality of Clayton are rare these days, Mr. Speaker. That we should lose someone like him now, when our country faces so many challenges at home and abroad, is sadder still. The consistency of his commitment to a cause should be an example to us all.

To his wife, Roberta, his daughter, Lauren, and his family, I extend my sincerest condolences. It was an honour to have worked with Clayton for so many years. The fishing community of southwestern Nova Scotia will miss him.

* * *

GOVERNMENT OF NOVA SCOTIA

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, the reins of government in Nova Scotia are about to be transferred from one farmer to another farmer. Premier Roger Bacon will step down after serving six months as premier of the province and although the position as premier was an interim position, Mr. Bacon did far more than an interim job. By the time that his term was up he had impressed the people of Nova Scotia and the people of all the Atlantic provinces with his ability. Roger Bacon did an outstanding job in a very difficult situation.

Soon another dairy farmer takes over. The Hon. Donald Cameron will become the first native of Pictou County to become premier of our province. Mr. Cameron brings with him a reputation of honesty and integrity as well as 16 years as an MLA and minister in the Nova Scotia legislature.

Nova Scotians look forward to his frank leadership style and are optimistic about the future under his government which will be sworn in tomorrow, February 26.

Congratulations and good luck to Mr. Cameron and his government.

* * *

GOODS AND SERVICES TAX

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, Saskatchewan's plans to harmonize its retail sales tax with the federal government's GST is just one more example of cheerleadering and Premier Grant Devine's dancing to the Prime Minister's tune.

For our premier, who once said he opposed the GST, to agree not only to collect this harmful and regressive tax, but also to try to take $200 million annually out of the Saskatchewan economy for his own purposes is shameful. Less than four months ago, after much thought, he said, the premier announced the GST would be introduced "side by side" with the provincial tax and Saskatchewan businesses prepared their records and equipment to accommodate this.

Now, with the demand for a federal agriculture payment looming, Devine changes his mind and all that business planning and expense have gone for naught. The people of Saskatchewan know there is a provincial election coming. I remind the Saskatchewan voter that we wanted to say no to the federal GST; we will soon get a chance to say no to Devine's GST.

* * *

[*Translation*]

FINANCIAL ADMINISTRATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Quebec mining association strenuously objects to the proposed amendments to the Financial Administration Act regarding cost recovery in the marine and air freight sectors.

These additional expenses and costs, especially in the marine sector, will have a disastrous impact on the economy of certain regions, especially in the mining industry. Cost recovery will mean additional expenditures which companies will be unable to recover from the customer, who can find other suppliers on the international market.

Instead of opting for additional charges, the federal government should consider implementing recent recommendations by the Auditor General of Canada, which suggested cutting costs and privatizing certain services to save money, instead of putting an additional burden on Canadians.

* * *

[*English*]

PUBLIC SERVICE 2000

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, reform of the Public Service of Canada is supposedly proceeding under the program known as Public Service 2000. Announced in December 1989, the stated objective of Public Service 2000 "is to enable the Public Service to provide the best possible service to Canadians into the 21st century".

But so far, Public Service 2000 has succeeded mainly in alienating thousands of public servants. Public Service 2000 has forsaken employee consultation. There has been no parliamentary or public debate on this issue, despite repeated requests from Liberal MPS and Public Service unions in general. The 24,000-member Professional Institute of the Public Service of Canada boycotted a National Joint Council meeting last fall as a form of protest because of this cavalier attitude.

If thousands of public servants are not being consulted, and their concerns not considered, how can the government expect this reform to succeed? The Conservative government is missing the opportunity for meaningful consultation with public servants, Parliament and the Canadian public.

I deplore the lack of sensitivity of this government in matters of the Public Service of Canada.

* * *

[*Translation*]

FOREIGN AID

Ms. Nicole Roy-Arcelin (Ahuntsic): Mr. Speaker, I just came back from a short trip to Haiti as a member of the Canadian delegation to the swearing-in of Father Jean Bertrand Aristide.

The election held on December 16 in that country has given people hope for the future and helped them break

with a past history of dictatorship, violence and corruption. They can now aspire to democracy and progress.

The Haitian people, so rich in history—their country became the first independent black State in 1804—but poor in economic resources, need Canada's development aid. This aid should be substantially increased, considering the ties between our two countries. More than 60,000 Haitians live in Canada, mostly in Quebec, and Haiti is a member of the international francophone community.

I am convinced that my government will respond to this appeal from a country that has so much to offer and does so with pride and dignity.

* * *

[*English*]

WORLD FOOD PROGRAM

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, the World Food Program predicts that in 1991, 25 African countries will face a food shortage of 4 million tonnes, affecting 30 million people. The gulf war is endangering humanitarian aid to these African countries by diverting world attention and emergency funding away from this famine.

What are Canada's priorities relative to the gulf war and the need to help feed the world's starving people? Canada should not be more supportive of offensive military action in the gulf than it is to saving lives in Africa and throughout the developing world.

Tomorrow's federal budget will be Canada's opportunity to clearly state its priorities. Will we increase our commitment to emergency aid and development assistance now, when it is needed most and while the world's attention is focused elsewhere? If we do, we will be showing that Canadians believe that the saving of lives is a priority over all else.

* * *

CANADIAN UNITY

Mr. Peter L. McCreath (South Shore): Mr. Speaker, more and more Canadians every day are expressing interest and concern about the future of our country. Many are taking advantage of the citizens' forum and its process to get involved in planning the future of Canada. I would like to bring to the attention of the House and the government the recent initiative of the Lunenburg Board of Trade, which has established a committee to respond to the challenge of the forum.

• (1410)

In a recent letter to me, which I would be pleased to share with all members of the House, the committee totally rejected the notion that Atlantic Canada should be cut off from the rest of Canada. They urge all Canadians, particularly the separatists of Quebec, not to assume that separation would mean the geographic isolation of Atlantic Canada.

They further, and quite properly, urge all Canadians to give pro-active consideration to the basis upon which we can build a new confederation, one which preserves the strengths of Canada today while responding to the legitimate cultural and regional interests as well.

* * *

CANADIAN BROADCASTING CORPORATION

Ms. Mary Clancy (Halifax): Mr. Speaker, all Canadians have been affected by this government's slashing of the CBC, but none as severely as Atlantic Canadians. The recent cuts are responsible for the cancellation of the highest rated series produced by the CBC in this country, *Land and Sea*.

Land and Sea is a maritime tradition. It is distinctive to the Atlantic region. No other program covers the cares and concerns of this area better than *Land and Sea*. All Atlantic Canadians believe it is crucial to have some understanding of what drives the region economically, of the traditions and values that make us unique. It is, therefore, crucial that we have an opportunity to appreciate the beauty of our region and the importance of our resources and have this interpreted on our public television system.

We are not asking for something new and we are not placing an unfair burden on government. Atlantic Canadians only want to see *Land and Sea* back on the screen.

I know that this government must stay at arms length from programming decisions, however, the elimination of *Land and Sea* should be of concern to any government. A recommendation from this government or an acknowledgement of how vital this program is to the Atlantic region might maintain our 20 year old tradition.

On behalf of Atlantic Canadians, I ask this government to speak out for *Land and Sea*.

* * *

GULF WAR

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, after Manchuria in 1931, Abyssinia in 1935 and World War II where 40 million people died brutally, the UN was created with the intention and power to stop bullies when they attacked other countries and killed innocent people. Unfortunately, for 40 years the cold war blocked collective action.

In the case of Saddam Hussein's attack on Kuwait, the UN acted unitedly and with great courage for sanctions and then action. Canada was part of that collective and courageous decision. The Liberals and NDP were opposed.

A few days ago Saddam Hussein made an offer to withdraw which had so many conditions that he would still have an aggressive capacity and intention. The Liberals and NDP wanted to accept his very first offer. The government and the UN coalition properly rejected this offer.

The bottom line is that neither the Liberal Party nor the New Democratic Party are worthy to govern Canada with our proud tradition of supporting the UN and its many agencies.

* * *

ALGOMA STEEL

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, with the exception of this government, everyone agrees that high interest rates and the high Canadian dollar are decimating Canadian manufacturing industry. If you want a concrete example, try Algoma Steel.

What we require now are assurances, a guarantee that the Americans will not construe a loan guarantee as a subsidy and slap us with a countervail duty. It is not enough to speak to Canadian legal counsel. We must go directly to our American counterparts in steel, trade and the government.

The Minister of Industry, Science and Technology assured me that he would be a part of a task force to study the long-term viability of Algoma. In an ensuing press conference, he indicated that there was no way that the federal government would involve itself in the long-term restructuring of Algoma.

The government is part of the problem and it must be part of the solution. The minister must be an active participant, not a spectator in the task force.

* * *

MARK TEWKSBURY

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, it was quite a week for Calgary swimmer Mark Tewksbury. Capacity crowds at the Lindsay Park Sports Centre cheered Mark on to three world records. The University of Calgary Swim Club sprinter set the new world records in the 50, 100 and 200 metres backstroke.

Canadians will be watching proudly as Mark takes on the world's best at the World Cup in Europe next month. He is now the one to beat.

Congratulations, Mark, and good luck.

* * *

HEALTH

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, over the past few weeks I have received calls, letters and petitions from seniors throughout the province of Manitoba and especially from my own constituency, the federal constituency of St. Boniface.

I have received more than 400 such statements from one centre, the St. Vital Senior Centre, asking that I, with my Liberal colleagues, do everything in our power to restore Canada's universal health care program, which the government is systematically dismantling through legislation such as Bill C-69. Collectively we must stop and we will stop the government's attempts to eliminate the federal role in health care. These actions, such as Bill C-69, could lead to eventual privatization of our excellent health care system which exists for all Canadians and could become the preserve of the rich only.

Canada's health care act assures no user fees, no extra billing by doctors and universality.

[*Translation*]

If the government decides to tackle the health program tomorrow, if it keeps on attacking our seniors, I can assure you it will have a fight on its hands!

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I know that all members of this House will join me in wishing the Leader of the Opposition a speedy recovery.

[*Translation*]

Our thoughts and prayers are with the Chrétien family.

[*English*]

My question is for the Prime Minister. After six and a half years of Conservative government, our country has never been in worse shape, economically or constitutionally. After an election campaign promising jobs, jobs, jobs, will the Prime Minister explain why 1.3 million Canadians have no jobs, why 186,000 Canadian children line up at food banks every month, why 54,000 Canadian bankruptcies were declared last year and why our competitive position *vis-à-vis* the United States is the worst that it has been in 40 years.

Did the Prime Minister deliberately cause a national recession, or did he just mismanage the economy into one?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am surprised at the comparisons that the hon. member has drawn. She says that the economy has never been in worse shape since the 1930s. She has a very short memory because it was in awful lot worse shape in the 1981-1982 recession—

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): —and that no one would disagree with.

The hon. member talks about the level of bankruptcies. If she would care to look behind the bankruptcy figures—which no one is happy about—she would see that, according to *The Financial Post* today, there are 160,000 business formations per year. The small business association, the Canadian Federation of Independent Business, say it is as high as 340,000 new businesses that are created. I think that is the important factor.

We on this side of the House are not happy about the fact that the economy is in a recession and we are doing everything we can to get the economy out of recession, and I will have more to say about that tomorrow in my budget.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, we on this side remember what the minister said. He said you have to die before you go to heaven, and right now there are 1.3 million Canadians dying for some new jobs.

[*Translation*]

As a result of the GST, 80,000 Canadian men and women lost their jobs in the service sector in the month of January alone. As a result of the government's policies, 300,000 Canadians lost their jobs in the manufacturing sector during the past two years.

What specific policies will the minister announce tomorrow that will give a measure of hope to those thousands and thousands of unemployed workers who are waiting for answers from the government?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if the hon. member would wait until tomorrow, she could have a good answer to that question.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Conservative government has mismanaged trade, mismanaged the dollar, mismanaged interest rates, mismanaged taxes, and mismanaged the national debt which this minister in his predictions of 1984 predicted would be at $18 billion in 1991.

Despite seven years of incredible world-wide growth, Canada is in the grips of a vicious recession.

Does the Prime Minister realize that his agenda of favouring the rich, hammering the middle class, and ignoring the poor is killing Canada's economy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my hon. friend persists in talking about 1981-82. In 1981-82 we had interest rates that were 22 per cent and 23 per cent. Interest rates today are in the 9 per cent to 10 per cent range.

She talks about unemployment. Unemployment then was 14 per cent, the peak of unemployment. We have an unemployment rate that is just short of 10 per cent today. The level of inflation hit 13 per cent. Today we

have an underlying inflation rate that is around 4 per cent.

• (1420)

My hon. friend is falling into a major trap. She should not be trying to use these tactics of comparing today with one of the blackest moments in our economic history of 1981–1982 and expect to come out unscathed.

Hon. Herb Gray (Windsor West): Mr. Speaker, for the more than 1,300,000 Canadians who are out of work because of this government's deliberate economic policies, this is the blackest day in history; not some distant period. It is today.

My question is for the Minister of Finance. Today, the Department of Consumer and Corporate Affairs reported that this January alone, 5,991 more Canadians went bankrupt, an increase of 69 per cent over the same period last year.

When speaking of these numbers, the Superintendent of Bankruptcy said: "You have to look at the emotional toll it is having. There are some really tragic stories".

Why does the minister have an economic plan that is forcing these thousands of Canadians into bankruptcy? Why does he pursue policies that are creating these tragedies all across this country? Why will he not make a commitment today to end these tragedies and get us out of this recession without further delay? Why will he not do that?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I ask my hon. friend to look at not just the numbers which are a tragedy. I agree with him on that. However, the point the hon. member misses is that the percentage of bankruptcies in relation to the size of the economy, the number of businesses in the economy, today is .8 per cent. Back when he was on this side of the House in 1982, it was 1.28 per cent.

I am not saying that the picture we have today is a good picture, but I ask him to put things in perspective and to look in the mirror himself at the mess he was responsible for back in 1981–1982.

Hon. Herb Gray (Windsor West): Mr. Speaker, this minister has been in his place for the past six years and he has to take responsibility for his mess and answer for that mess.

My supplementary question is also for the Minister of Finance and is about his policies. Last week, the Minister of National Revenue admitted what Canadians have suspected all along, and that is that this government is looking forward to having a multi-billion dollar revenue windfall from its infamous GST.

Why did the minister tell Canadians that the GST would be revenue neutral, when the Minister of National Revenue has admitted that it would bring about a multi-billion dollar tax grab for the government?

Was the government misleading Canadians about this, or is it simply saying that it does not know what it is doing? Which is it? I ask the minister to tell us which is it. Canadians want to know the truth.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, last week I repeated what we had been saying all along, and that is that we do not expect any additional revenue from the GST at this time and that all factors have in fact been taken into account.

I did go on to say, upon questioning, what both the Minister of Finance and others have said in the past, that in the future if circumstances change, if we come out of the recession and so on, that there is a possibility of additional revenues taking place.

If the hon. member is interested in the facts, he will listen to this. I concluded by saying: "In any event, as we sit here now, we are talking about a hypothetical situation because we do not know for sure at this point in time if there is going to be excess revenue or not".

* * *

GULF WAR

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, may I first take this opportunity to express on behalf of my party best wishes for a very speedy recovery by the Leader of the Opposition.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, my question is for the Prime Minister.

The Prime Minister will be well aware of my party's views on the gulf war. We opposed its start because we felt that economic sanctions and diplomacy should have a chance to work. We oppose its continued escalation because we believe that what will result is certainly more

martyrdom to support Saddam Hussein. We want to see Saddam Hussein out of Kuwait as much as anyone does.

What we see is what President Bush is prepared to do and what action he is prepared to take. I want to ask the Prime Minister what his views are on behalf of Canada in terms of what the Canadian government's objectives are in this war. Will the Prime Minister ensure and demand at the United Nations that the United Nations make an assessment of when the mandate of the resolution has been adequately fulfilled and not simply allow the United States to make that judgment?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I of course join the distinguished House leader of the Official Opposition and the Leader of the New Democratic Party in conveying our very best wishes to the hon. member for Beauséjour. We look forward to welcoming him back to the floor of the House of Commons in good health at a very early moment.

The Leader of the New Democratic Party asks what the objectives of the government are in regard to the prosecution of the war. They are the fulfilment of the resolutions of the UN Security Council. That is precisely what the government has done, precisely what the 30-odd members of the coalition are in the process of doing.

My hon. friend says that the NDP wants to see Saddam Hussein out of Kuwait as much as anyone. Well, you do not do it by wishing; you do it by taking action to defend principles.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the Prime Minister.

It is not very useful to the young Canadian men and women and others who are in the Middle East, and indeed to those hundreds of thousands of people in the Middle East who are suffering and are innocent victims of this war, to talk now about whose principles should reign.

The Prime Minister and I have different views about what would have ended Saddam Hussein's aggression. However, I am sure there is one thing we can agree on, and that is that we all wish our troops home safely.

We know what the Prime Minister is doing to participate in the escalation of the war. What is he and his government doing to participate in bringing about a quick end to this war and about proposing peace proposals that will work or supporting other diplomatic initiatives that will bring this war to an end? I would like to ask the Prime Minister specifically what he himself has been doing to initiate or support other diplomatic initiatives to bring this war to an end?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that she knows what could have ended Saddam Hussein's aggression. So do we all. Saddam Hussein could have said and should have said: "I have taken illegal action against a neighbouring state. I am going to withdraw pursuant to the demands of the United Nations Security Council". When he refused to do that, it was no longer appropriate to accept the view that we will do nothing. Canada chose to join with the nations of the world and do something to liberate Kuwait and to drive him out of that country.

My hon. friend asks whether Canada has been playing an active role in regard to post-war hostilities toward the ending of the conflict. I think it is probably fair to say, and perhaps on behalf of all members of the House, it is widely known that the Secretary of State for External Affairs of Canada has been playing a leading role here, in Europe and elsewhere around the world in looking for effective means that would bring this war to an end. On behalf of all members of the House, I congratulate him on his tireless efforts to bring about a peaceful solution to the war.

Some hon. members: Hear, hear.

Mr. Mulroney: It is widely known what could end the war. There are various opportunities now for a productive post-hostilities peace and reconstruction. In all these efforts Canada has played and will continue to play what we hope and believe is a helpful and constructive role.

• (1430)

Hon. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker.

I regret that the Prime Minister could not give us specific details. If indeed the minister responsible for

external affairs is making these diplomatic initiatives, surely it would be in Canadians' interests and Canadians would be interested in knowing exactly what they were.

I have another matter.

[*Translation*]

—the Prime Minister said yesterday that Canada may increase its participation in the gulf war. Right now, that particular region needs humanitarian aid for refugees, for innocent people who are homeless and without food.

On February 5, the Secretary of State for External Affairs told me in a letter that the government was prepared to increase its financial contribution for humanitarian aid if the need arose. Obviously, the need has arisen. Instead of increasing our participation in the war effort, why doesn't the government act on commitments made by the Secretary of State and increase humanitarian aid?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, yesterday I answered a question from a reporter who said—

[*English*]

"Prime Minister, do you see at any point in this ground war that we might commit further resources to the war? Answer: We may have to, yes. In what capacity? I do not know". You asked me a hypothetical question. It is possible, but I cannot tell you in what area. It could be in one of a number of areas, I suspect.

The government responds to requests from our leading military advisors. All this indicated was that should a further request come forward, we would consider it and respond, as we have from the very beginning.

[*Translation*]

The hon. member inquired about the contributions mentioned by the Secretary of State for External Affairs. The fact is that for the past few weeks, the Secretary of State for External Affairs has appeared two or three times a week before the House committee. He has given very specific details on his own and the Canadian government's initiatives in a variety of areas, including the search for a peaceful settlement of this conflict. He was elaborated on the various types of initiatives the Canadian government has taken and intends to take with respect to humanitarian aid. He described how the Canadian government intends to play a peace-keeping role, if asked to do so, following the current military intervention in the gulf. He also mentioned that with a contribution of over $75 million, Canada was, on a per capita basis, one of the biggest donors in the western world with respect to humanitarian aid in the region.

[*English*]

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I too have some questions for the Prime Minister.

Speaking after the war cabinet yesterday, the Prime Minister made statements that appeared to go substantially beyond the mandate of the UN set out in the resolutions as passed by that body. The Prime Minister spoke of dozens of reasons why sanctions should be maintained against Iraq after the war is over and it has been expelled from Kuwait.

I wonder if the Prime Minister could tell us what are these dozens of reasons why he believes that economic sanctions should be enforced after the war is over and after the expulsion takes place.

Is it purely to force an arms embargo, or are there other objectives that the Prime Minister is now setting for the conduct of the war that have not yet been spelled out yet to the Canadian people?

Is the Prime Minister setting a new set of war aims of this case? In fact, are the statements yesterday not really contradicting in a very fundamental way the spirit set out in the speech he made three weeks ago announcing a peace plan for the Middle East?

Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the version of my comments yesterday given by the member would lead to that conclusion, yes, but the statements he attributes to me are not borne out by any analysis of the transcript.

The question was: "What about the possibility of economic sanctions continuing once the war is over? Is that possible? And if they were to continue, why would that be done? Answer: I think that would be for the UN Security Council to consider. I can think, quite frankly, of a dozen different reasons why it might be helpful that they be maintained in total or in part for a period of time".

One of the reasons that I gave—if my hon. friend wishes, I can give others—would be that the Security

Council would surely decide that it would be imprudent, given the destruction of Kuwait, which is ongoing as we speak, the attempted invasion in respect of Saudi Arabia, and the Scud missiles launched against Israel, a non-combatant member in that region, to permit Saddam Hussein after hostilities ceased to rebuild a military machine that would give him access to the same kind of violence against innocent states such as Israel and Saudi Arabia.

It was in this light that I would invite the Security Council, after hostilities, to review the situation and to proceed with the greatest of prudence to make sure that these kinds of Scud missile attacks are never launched against Israel or any other country in the region.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to ask a supplementary question.

Relating back to the United Nations, on the weekend the Secretary-General made the statement that the UN resolutions against Iraq could be upheld while still addressing the moral imperative of preventing further destruction.

We know this appeal of the Secretary-General was not successful this past weekend, but can the Prime Minister tell us if there are efforts now under way to maintain and continue the role of the United Nations in determining the outcome of the war?

Specifically, with respect to the answer he just gave, is the Prime Minister now saying that Canada is going to take the Security Council proposals for new resolutions that would extend sanctions after the war?

In other words, is Canada now taking the initiative to broaden or to change the objectives? In fact, what is the role of the Security Council going to be in the management of the war and, in particular, in trying to manage the peace itself? Can he explain what the Canadian position and role will be in light of the answer he just gave?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, it is one thing for the member for Winnipeg South Centre to take liberties with statements that the Prime Minister makes or that I make.

I think it would serve the interests of us all if he did not take liberties with the statements of the Secretary-General. If he recalls, I had to call him to order on it in committee.

This is not the first time that he has taken one phrase from a statement by the Secretary-General and then attributed to the Secretary-General a meaning quite different from what the Secretary-General of the United Nations had indicated.

That is not a very helpful process for anyone who is interested in conducting an honest foreign policy in this country or indeed in his party.

An hon. member: Order.

Mr. Clark (Yellowhead): I think one of his colleagues has had enough.

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Prime Minister.

This past weekend and indeed yesterday, the Prime Minister indicated that further Canadian troops and equipment might be sent to the gulf. This morning on television the Minister of National Defence indicated that those might be further CF-18s.

I want to ask the Prime Minister if any decision has been taken or if any decision is contemplated to send further Canadian personnel and equipment to the gulf and what they might be.

Right Hon. Brian Mulroney (Prime Minister): I think the answer, Mr. Speaker, is one that I gave in response to a question from his colleague.

The transcript is very clear. It indicates that the question was: "Do you see at any point in this ground war that we might commit further resources?" The answer was: "We may have to, yes". That is depending on the recommendations that we receive from General de Chastelain and his colleagues of the senior military.

We have not yet received such requests but, if we do, we will consider them very carefully and respond in the national interest.

Hon. William Rompkey (Labrador): Mr. Speaker, my supplementary question is for the Minister of National Defence.

Last month, the minister was quoted as saying that military costs could rise fourfold if the war continued to escalate. Now that the war has escalated, what is his

estimation of our cost to the war effort at this time including any contemplated personnel or equipment we might send in the future?

• (1440)

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the quotation to which the hon. member refers was in the very context of the question he has asked. Someone asked a hypothetical question and I said I was not going to get into something that would say it was forefold because I do not have that knowledge. For the same reason, I cannot answer the hypothetical part of his question.

Mr. Axworthy (Winnipeg South Centre): It sounds like a lot of buffalo to me.

Mr. McKnight: The member for Winnipeg South Centre is talking. I cannot hear what the hon. member is saying now.

An hon. member: The cost.

Mr. McKnight: The cost, as I have enunciated, is approximately $60 million a month in incremental costs. There is $30 million associated with ongoing costs.

The hon. member would be aware, I know, that the more hours, the more duty, the more time which are placed upon the CF-18s in fulfilling their missions, there will be additional costs. We have not been involved in the additional role of air-to-ground for a long enough period of time to estimate what that additional costs may be.

* * *

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance. Unemployment, I say to the minister, is way up. There are thousands more Canadians who are having to go on to welfare. We just learned that bankruptcies have jumped by 69 per cent from last year.

All of us have seen these human tragedies in our communities during this break, men and women whose lives quite literally have been torn apart by this recession.

Is the minister prepared to tell us today that he is going to change direction in his budget tomorrow, stop listening just to big business groups and start to put these people who are being so badly hurt first in his considerations.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think there are two things that the hon. member neglected to mention. One is that we have been responding to the weakness in the economy by bringing down interest rates. They have come down by over 400 basis points, 4 percentage points since the peak last spring.

In addition, I should point out to the hon. member there has been a substantial net increase of businesses in this country even during this year of recession. There is a net increase of 130,000 businesses and that means there are a good deal more new businesses being created.

As I said in response to a previous question, one commentator from the Faculty of Management, University of Toronto says 160,000 new businesses have been created. Those are incorporated businesses. The Canadian Federation of Independent Business says that the figure is over 300,000 so there is a good deal of additional potential employment being created by these new businesses.

We on this side of the House want to bring down interest rates to ensure that those new businesses are given a lease on life so that they can create new jobs, new opportunities and grow to the benefit of the whole country.

Mr. Steven W. Langdon (Essex—Windsor): In fact, Mr. Speaker, 327,000 Canadians lost their jobs last year not according to the Minister of Finance, but according to Statistics Canada. Three hundred and twenty-seven thousand Canadians lost their jobs permanently.

[*Translation*]

A Tory spokesman, the hon. member for Halton—Peel, said in referring to the Budget:

[*English*]

I think we are at a point where, and I hate to say this, but to some extent fairness is a luxury.

[*Translation*]

Does the Minister of Finance also think social justice is a luxury he cannot afford to include in the Budget tomorrow?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that the record of this government is an outstanding record in bringing about social justice in a number of ways. In the things that I have read about the budget that I will be bringing down tomorrow he is suggesting that we should be increasing spending and ignore things like the deficit.

If the hon. member is saying, "do something for the economy", the best thing we can do is continue to bring interest rates down. If we follow the approach that the hon. member is suggesting we follow, we will have the direct opposite effect on the economy. That would hurt people who are seeking new jobs. It will hurt the people who he is worried about who have lost their jobs. It will hurt those companies who are struggling to stay in business. If the hon. member considers what he has just said about social justice, he would look very closely at the policies that I am going to be announcing tomorrow and applaud them.

* * *

AGRICULTURE

Mr. Joe McGuire (Egmont): Mr. Speaker, my question is for the Minister of Agriculture.

P.E.I. seed producers are very angry and confused. P.E.I.'s major export industry has been devastated, first by an American ban and now today by a Canadian ban on our seed potato exports.

Farmers feel that this government has completely mismanaged the virus problem and has lost control of the entire situation.

Mr. Speaker, potato producers want to know exactly when Ag Canada knew of the presence of the PVYN virus, why no action was taken until it was too late and it turned into an economic disaster.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I certainly share the hon. member's concern with respect to the PVYN virus. It is not a trade issue but rather an issue that falls within the Plant Protection Act.

Steps have been taken to remove the restrictions that have been put in place. We believe there is still room for removing further restrictions from the province of Prince Edward Island, as much as the importation of the seed potato is only provided for in areas five and six of the Island, and that is not of the Atlantic variety, we are continuing to work at that.

Mr. Speaker, I have to tell the hon. member that there has been very close co-operation and consultation with the provincial governments, both of P.E.I. and New Brunswick and with the producers. It was through this that we were able to convince the Americans that for PVYN, which is a virus that is named under their plant quarantine act, we had the certification process and the various steps in place to eradicate the disease. Our challenge now is to eradicate the disease as quickly as we possibly can and to work out whatever compensation program may be necessary to save the producers from the devastation of this. That is what we are doing right now and discussions will be continuing in Washington tomorrow.

Mr. Joe McGuire (Egmont): Mr. Speaker, I think the potato producers in P.E.I. had the impression, and I agree, that Senator George Mitchell and Senator Jesse Helms are calling the tune here, that it has gone far beyond a biological issue into trade and into the political arena.

My supplementary question is for the same minister. The minister's department is responsible for disease control and eradication. Why in the case of the virus PVYN did Ag Canada not take immediate action and destroy the affected crops? Will every seed producer receive compensation under the act because now every producer is in the same boat whether or not he has the virus?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, when it was first discerned that the virus was in existence, we took steps immediately with the provinces and with the growers to try to work toward the necessary eradication process.

As a matter of fact, we raised it with the United States, advised them of the situation and assured them that we were taking all possible steps to eradicate the disease so that normal trade would be continued.

As I said before, it is a disease issue, it is not a trade issue. Under the Plant Protection Act we have certain rules and regulations that have to be complied with, and we must comply with our trading partners in a similar fashion.

The United States is imposing a restriction on the entry of these potatoes, which is no different than we would propose if the shoe were on the other foot, and I think the hon. member should recognize that.

* * *

• (1450)

THE ECONOMY

Mr. Joe Fontana (London East): Mr. Speaker, this government's high interest rates and high dollar policies have brought the Canadian economy to its knees. In addition, the GST has exacerbated the cost of living for millions of Canadians who are just struggling to make ends meet. That is what the Liberal task force heard from 35 communities across this country.

I want to ask the Minister of Finance if his budget will deal with the recession ordinary Canadians are feeling, or will it just be of benefit to those Canadians the minister has consulted with, his Bay Street buddies.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I don't think that I am going to take precisely the word that the Liberal task force has come up with because I am sure they have been very careful to put in front of the microphones a number of people who are going to spout the Liberal approach to things.

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): Hon. members express surprise that I might draw that conclusion. I would ask them to get serious.

The hon. member asks if we are listening to average Canadians. Yes, Mr. Speaker, we are. We have had broad consultations with a wide range of groups, not just business groups. We have listened to labour organizations, social policy organizations, senior citizens and cultural organizations as well. We have taken all of this into account.

I would say to my hon. friend that when we dropped interest rates 400 basis points over the course of the last eight months that has had the effect of helping Canadians from coast-to-coast, in every nook and cranny of the country. That is the best way we can accomplish a strong recovery from the recession we are in now.

Mr. Joe Fontana (London East): Mr. Speaker, I am sure the Minister of Finance did not want to insult the Chambers of Commerce, municipal leaders, labour leaders and ordinary Canadians who appeared before the task force. At least we had the guts to talk to Canadians. At least we had the guts to go to Reality Avenue instead of Bay Street.

I want to ask the Minister of Finance if he would explain to the 1.3 million Canadians who are out of work and the half million Canadians who are going to food banks each and every year in this country, how his over-valued dollar, how his high interest rate policy and how is over-all economic policies have benefited the Canadian economy and them.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend will acknowledge that we have seen interests rates drop on treasury bills from close to 14 per cent to last week's tender of around 9.75 per cent. We have seen mortgage rates drop from 14.5 or 14.75 per cent, I believe it was, down to the current level of around 11 per cent. That is ensuring that many thousands more Canadians can buy a house today which they could not buy about a year ago.

The hon. member is laughing. He ought to speak to some of those people on Main Street who he purports to have talked to and ask them whether they are pleased that they can now have a mortgage at 11 per cent.

I will say to the hon. member that the people on Main Street are very, very happy that they can get an 11 per cent mortgage. That is an awful lot less than they got in 1981-1982 when mortgage rates had skyrocketed.

* * *

VIDEOS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, this morning Canadians struggling with the recession and the GST and who are bracing themselves for another Conservative government budget, were astounded, they absolutely could not believe their ears when they heard that the federal government had spent more than $40 million making videos about sand modules. There was a video about the minister of defence from wartime

Saskatchewan. There was one, I think, about the Prime Minister's office, called: "My Happy Days in Hell".

While this sounds odd, the point is that the Prime Minister is calling upon Canadians to tighten their belts, to share in the burden of these difficult times. Will he explain why he and his government are spending tens of millions of taxpayers dollars in such frivolous, indeed, stupid ways.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I would like to take a moment, if I could, because the hon. member referred to myself and my department. There was a video made for $14,000 which brought to the attention of Canadians—

An hon. member: How much was the make-up?

Mr. McKnight: —in the communities, the leaders in the communities and community groups which complimented them on their efforts on behalf of the Cadet League of Canada which I think we all, in this House, understand.

I should also say to the hon. member that there was another video made which put forward, complimented and paid recognition to some of the peacekeepers of Canada, present and past, involved in the Canadian forces who received a peacekeeping award from the United Nations.

I also draw to his attention that the government put forward a video which won a Juno. It was put forward by the Department of National Health and Welfare which involved the threat—

An hon. member: Listen to this.

Mr. McKnight: —of AIDS to young men and women in this country. Does he say that that is not worth while?

I say to the hon. member that the use of videos for education, for training and, in my department, for recruitment is a good use of dollars to inform, recruit and train Canadians in the Canadian Armed Forces.

* * *

GOVERNMENT EXPENDITURES

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I want to raise with the Prime Minister another example of government waste and stupidity.

The Prime Minister will know that the Minister of Communications, who is here in the House just back from Europe, has announced an expenditure of $45 million for the Canadian Institute of Research and Cultural Enterprises, exceeding even his record for boondoggles. This is at the same time the CBC is struggling to survive.

Will the Prime Minister intervene in this wasteful, unnecessary, frivolous and scandalous expenditure and put the money where it is needed, to help people in these tough, economic times?

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, I may remind the hon. member that the cultural sector in Canada—more specifically, our cultural industries or enterprises—generates 250,000 jobs and $16 billion worth of economic activity. This is an area where we must be aware of the economic contribution of creative artists and enterprises, especially at a time when our borders are open to international exchange of cultural goods and technology, Mr. Speaker.

* * *

[*English*]

CANADA POST

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, my question is for the minister responsible for Canada Post.

With the separation of our military families because of the gulf war, I wanted to bring to the minister's attention that many of our friends' forces in the coalition fight and struggle against Saddam Hussein have set up special provisions to communicate with their families.

I wonder if we, as Canadians, have done the same thing. What special provisions do we have? Has the minister met with the Minister of National Defence to facilitate the movement of mail to our families?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, yes. Early on when Canadian troops were sent to the Middle East, Canada Post did make provisions wherein the brave Canadians serving in the gulf area were able to send to relatives and loved ones, free of charge, their letters and communications for them. It is a policy that was put in place early on, of which we are proud and on which Canada Post and the Canadian Armed Forces are

co-operating. It works to the benefit of our troops in that region.

* * *

• (1500)

[*Translation*]

COMMUNICATIONS

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Communications.

Last December, the minister justified closing down CBC stations in Matane, Rimouski and Sept-Îles, because of the economic situation. Last September, the same minister told artists he had no money to increase the budget of the Canada Council. How did the Minister of Communications manage to find $45 million for a Canadian institute for research on cultural enterprises, when he had no money for the CBC or for the Canada Council?

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, cultural policy covers more than just one area.

And to add to the response given by our colleague a little earlier, in most activity sectors in this country we have research institutes that work in close partnership with various sectors such as pulp and paper, metallurgy, clinical research, space or earth sciences, and in fact every possible sector, Mr. Speaker.

The government is actively involved because it is aware of the economic importance of these sectors. The cultural sector is vital to our economy, and that is why the government wants to ensure, working in partnership with our cultural enterprises, that it is a strong sector, able to isseminate our creative output and cultural properties in this country.

[*English*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my supplementary is to the same minister. Talking about culture, Radio-Canada is very important to culture and communications in Canada.

I would like the minister to justify to Canadians how we can spend $45 million on a cultural institute when he closes stations in Calgary, Saskatoon, Windsor, Corner Brook, Sydney, Goose Bay and all the regions of Canada? How can he talk about culture when he is closing Radio-Canada?

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, there are a number of factors affecting the cultural sector in this country. One area where we must provide for a very strong presence is our cultural industries. One of the problems facing the cultural sector in Canada is the low market share of our cultural industries within Canada.

That is why it is important, both for our creative artists as well as from the job creation point of view, to work with our enterprises to give Canada a decent market share in the cultural sphere, Mr. Speaker.

[*English*]

Mr. Speaker: There have been some discussions and the Chair feels it is appropriate that our friend and colleague, the Hon. Eugene Forsey, receive the proper comments from this House. I would call to begin the hon. member for Ottawa-Vanier.

* * *

THE LATE DR. EUGENE ALFRED FORSEY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, all Canadians, particularly this House and this Parliament, suffered a loss last week with the passing of Dr. Eugene Forsey.

Dr. Forsey would never have been one to make this claim, since we knew him to be a man who never saw himself in terms of importance. He was a great Canadian.

I got to know Dr. Forsey during the years I spent in Parliament. Many a time, he gave me advice, a good argument, and many a time, some very good consultations.

Only a few weeks ago in a television interview, he said that he himself had never really accomplished much, although he admitted that he may have had some effect on one or two individuals. In fact, over a life of more than 86 years, he had a profound effect on many individuals and in that he accomplished a great deal.

Born in Newfoundland, raised in Ottawa, educated in Montreal and Oxford, all of this shone in his personality. He was a brilliant scholar, a remorseless critic, a com-

mitted social reformer, a staunch federalist and a great Canadian patriot.

His thoughts were always framed in terms of a broad philosophy, but he was always demanding and always a stickler for detail. He brought remarkable energy and a distinctive turn of phrase to every endeavour he touched.

[*Translation*]

Eugene Forsey, that eminent politician, was raised in a conservative environment, later became one of the founders of the CCF—a socialist party, the ancestor of the NDP—and even ran for that party, and then, like any intelligent creature, reserved the right to change his mind and finally became a Liberal senator, thus moving from right to left to centre.

Later in life, he was reluctant to support a particular political party, preferring to pursue his objectives with the same vigour he had shown in defending his ideas, eschewing any form of partisanship.

[*English*]

The most remarkable thing that Dr. Forsey accomplished was his lack of pretence. He spoke in the same tones to young students as to Prime Ministers, took the same pains in expressing his views to many of us. We disagreed sometimes, but most of the time we agreed that it came from a very respected Canadian.

His memoirs speak of his life on the fringe of great events. History will show that frequently he was a constructive influence in the centre of this country.

We will miss Dr. Eugene Forsey.

Hon. Perrin Beatty (Minister of National Health and Welfare) : Mr. Speaker, if we had attempted only a week ago to say a few kind words about Dr. Forsey in the House of Commons, we would have expected within 24 hours to receive a letter from him correcting our grammar, correcting our interpretation of history, or simply upbraiding us for having wasted the time of Parliament on something so unimportant as Eugene Forsey.

Sadly, none of us will receive such a letter from him now because last week, at the age of 86, Eugene Alfred Forsey died.

Those of us who were privileged to work with him in this Parliament knew him as a scholar, as a statesman, as a passionate Canadian, and above all as a friend.

I first was privileged to meet Dr. Forsey over a decade ago when I served with him on the Joint Committee on the Constitution. He demonstrated both a formidable knowledge of Canada's Constitution and a fierce independence of mind and principle that caused him over the years to clash with the constitutional views of each one of Canada's political parties.

Knowing him in that capacity and as the distinguished co-chair of the Standing Joint Committee on Regulations and Other Statutory Instruments, when he fought to protect the rights of Parliament and the rights of our ordinary citizens, I developed a deep regard for his intellect, for his courage, and for his passion for Canada.

We frequently did not find ourselves on the same side of issues, but opposing the views of people who felt privileged to know him as a friend was not an uncommon experience for a man who entitled his memoirs *A Life on the Fringe*. One might disagree with the policies he was proposing at any one time, but there was never any doubt whatsoever about his intellectual rigour, his courage, his love of Canada, or his willingness to fight fiercely for what he believed in.

We are fortunate that last year Eugene Forsey was finally persuaded to publish his memoirs, a witty, modest, and wonderfully readable account of his life and of Canada, from the time that he was born in Grand Bank, Newfoundland, in 1904.

In the preface to his memoirs he explains why he resisted for so long the request that he publish his autobiography. In his words: "I replied that I'd sooner be sentenced to penal servitude. The thing wasn't worth doing; it would mean an appalling amount of work and I could not endure the thought of yet another editor determined to correct my English."

We can all be grateful that he was prevailed upon to commit to print his recollections of such a wonderful life.

• (1510)

We can be even more grateful for that life itself, which was dedicated to the service of this country. It is truly the case, as the Prime Minister said last week, that Canada

has lost one of its most eminent sons with the passing of Eugene Forsey.

Some hon. members: Hear, hear.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I am very pleased to follow the member for Ottawa—Vanier and the Minister of Health and on behalf of the New Democratic Party to pay tribute to a great Canadian, Eugene Forsey.

In the past week, much has been written and spoken, all graciously and positively, about the late Eugene Forsey. I think the former senator would be surprised and I hope delighted considering what he said, and especially what he wrote in his long and illustrious career, about the same politicians, political parties and commentators.

The Globe and Mail said that he was the best read and best known constitutional expert. The Prime Minister has called him, as the Minister of Health has just pointed out, one of Canada's most eminent sons. I can imagine what the former senator's reply would be to that one, probably in a letter to *The Globe and Mail*.

I want to note Eugene Forsey's involvement with the labour movement. From 1942 to 1966, which is for some people a lifetime's contribution, for Eugene Forsey it was only part of a lifetime's contribution. In 1941, I am told he won a Guggenheim fellowship and he went to the United States to study.

In 1942, he came back and was offered a job at the Canadian Congress of Labour which in 1955 became the Canadian Labour Congress.

He was research director, and as such he wrote countless briefs. He spoke everywhere. He advocated issues, especially old age security, and was eminently successful there. He did it in English and French.

Claude Jodoin the distinguished first President of the Canadian Labour Congress used to compliment Dr. Forsey on what Monsieur Jodoin called his "beautiful French".

Dr. Forsey's intellectual labour, his precision and crispness helped build organized labour in Canada. I believe we and the country have all benefited from that.

He ran unsuccessfully, I guess I have to point out, as CCF candidate in two federal elections and in one provincial election; the provincial election against George Drew, the premier of Ontario.

If I might say on a personal note, he told me just a few weeks ago of that debacle and that election. Also, he told me about his associations with the likes of Stephen Leacock, Frank Scott, Norman Bethune, not to mention Mr. King, as he would call him, Arthur Meighen or John Diefenbaker.

To my generation of parliamentarians, he made history come alive. We sometimes met him for dinner at the Parliamentary Restaurant on a cold winter night. You could go there, and there was Eugene Forsey. He would talk to you, not patronizingly but wisely and intellectually about the great personages of Canadian history and the great issues. If we did not like that, we would discuss Meech Lake for dessert.

He was lucid right up to his death. Many people were surprised to see in last weekend's paper his criticism of the Allaire report, a more critical and analytical work than was done by any Canadian politician or journalist. That is an amazing tribute, and for this we will miss him a great deal, especially now. All members of the House know what I am speaking about.

I think our best tribute, as parliamentarians, would be to live up to his standard. He was precise, committed and visionary. He did it with wit and respect for those who did not share his views. I can see that smile now. I see the twinkle in his eyes and think of his recitation of all the figures in Canadian history.

He was not a man of malice. He was not an idealogue, but he was a man of principle. Yes, he was a bit of a maverick. He joined three political parties of this House of Commons and he quit them, too. This is probably a lesson that you can achieve a lot outside the political system as well. He had a consistent view, a consistent vision of Canada which some people disagreed with and others happened to agree with very much. However, whatever you felt on his positions you knew it was done with vigour, wit, intelligence, precision and it was well held in principle.

Canada is going to miss him. You cannot replace people like this.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I too want to pay homage to Eugene Forsey, who I believe was a great Canadian. I first met Eugene Forsey at a World University Service seminar in India in

1953 where he was a professor and I was a student. Since that time over many, many years I benefited from his advice and counsel. I must say, as others have said, he was a man of great wit. He was a great mimic. He used to regale us with his stories and he had many, many stories about every sort of incident that you can imagine in Canadian history.

Members have referred to his letter writing, to his letters in the magazines and newspapers of Canada. He always had something interesting to say. We will surely miss him. But I have a feeling that his ghost will still permeate these premises and we will hear him laughing at us, kidding us and inspiring us with stories forever and ever.

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PRIVILEGE

STATEMENTS RESPECTING THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, I believe my privilege arises from statements of more than one member of this House and constitutes a misleading of the House. This privilege involves the present minister of industry, the present Minister of the Environment and the previous Minister of the Environment, the hon. member for Lac-Saint-Jean.

I believe a *prima facie* case of privilege exists and I am prepared to put the appropriate motion to the House on this matter. The privilege and future environmental damage arises from public statements of government policy from February 1, 1991, by the federal minister of industry in Montreal. This directly contradicts published government policy and two other ministers, one in the House and one before the Standing Committee on Environment. The issue was also touched upon just before Christmas by Canada's Auditor General.

The pulp and paper industry is the largest manufacturing sector in Canada and it is also the most serious and largest source of marine pollution in the country. New regulations have been in the works for some time. The former Minister of the Environment, the hon. member for Lac-Saint-Jean, promised them to be fully in force by June 1991 and certainly no later than June 1992. In December 1990 the government published the green plan and the present Minister of the Environment and the green plan promised that the regulations would be in full force by January 1, 1994.

However, on February 1 of this year in Montreal before the Canadian Pulp and Paper Association the minister of industry suggested January 1996, somewhere between a four and five year delay in promulgation and enforcement of the regulations.

I have five very short quotations to substantiate this question of privilege.

SPEAKER'S RULING

Mr. Speaker: Just a minute. The hon. member has raised a matter which amounts to this: that certain statements have been made with respect to government policy and that later on a press report of something that a minister said seems to contradict what may have been said earlier.

What I do not think I have to do in this case is try to weigh the differences between all statements. I have to point out that I think it would be stretching the question of privilege to ask the Chair to say that there is a *prima facie* case of privilege that should be put to the House.

The government may want to reply, but I have to indicate to my colleagues on the government side that I do not think it is necessary. While there may very well be a matter to be raised in Question Period or in debate, I cannot take the complaint of the hon. member which he makes as amounting to a question of privilege.

I thank the hon. member for giving me notice.

ROUTINE PROCEEDINGS

• (1520)

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

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PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 104 petitions.

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

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DEPARTMENT OF COMMUNICATIONS

TABLING OF ANNUAL REPORT

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, on behalf of the Minister of Communications and pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the annual report of the Department of Communications for 1989–1990.

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COMMUNICATIONS AND CULTURE

TABLING OF GOVERNMENT RESPONSE TO FOURTH REPORT OF STANDING COMMITTEE

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, also on behalf of the Minister of Communications and pursuant to Standing Orders 109 and 32, I have the honour to table, in both official languages, the government's response to the fourth report of the Standing Committee on Communications and Culture concerning the National Arts Centre.

* * *

THE ENERGY CONSERVATION STANDARDS ACT

MEASURE TO ENACT

Mr. Rex Crawford (Kent) moved for leave to introduce Bill C–347, an act respecting energy conservation standards for energy using products imported into Canada or sent or conveyed from one province to another.

He said: Mr. Speaker, it gives me great pleasure to rise in the House today to introduce for first reading an act respecting energy conservation standards for energy using products imported into Canada or sent or conveyed from one province to another.

The purpose of this bill is to reduce the use of energy in Canada by providing for the establishment of national energy conservation standards. These standards are then applied to the energy using products that will make them more energy efficient.

As we know, Canada has one of the worst records in the world for energy consumption. We need strong national standards with forceful national leadership to reverse that trend. The bill is modelled after the Ontario Energy Act passed by the former Liberal government there.

Federally, the Governor in Council may make regulations respecting the use of national energy conservation marks. Any product meeting the rules will have that mark on their product for sale.

Test procedures will be developed. As well, no products may be imported into Canada without meeting the national energy marks.

The list of products is to include central air conditioners, freezers, furnaces, televisions, dishwashers and water heaters, to name a few.

I am confident that all members will see fit to support this bill respecting the Energy Conservation Standards Act because in so doing they are supporting strong, national leadership on the environment, an issue of great importance to Canadians.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

PETITIONS

FOOD LABELLING

Mr. René Soetens (Ontario): Mr. Speaker, I have the pleasure today, pursuant to Standing Order 36, to present two petitions. The first one is signed by many of my constituents from Ontario riding, as well as others from the greater Toronto area, who are concerned that restaurant and food packages are not required to disclose all food contents.

Therefore they call upon Parliament to enact legislation amending food and drug regulations in order to require manufacturers to list specific food ingredients and additives used in pre–packaged foods in place of the general classifications now permitted and, further, to require restaurants and food retailers to provide on

demand to customers a list of all food ingredients and additives in prepared foods.

SENATE OF CANADA

Mr. René Soetens (Ontario): Mr. Speaker, the second petition is from many of my constituents in the Ontario riding.

It relates to the Senate of Canada and states that the undersigned know the Senate to have been established in 1867 for the purposes of representation of the regions of Canada and providing a medium for sober second thought. The Senate now performs no useful function. It is completely partisan and has proven after many efforts to be impossible to reform.

They call upon the government and the Parliament of Canada to abolish the Senate outright.

CANADA POST

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I would like to table two petitions containing 325 signatures from constituents in Port Alberni, British Columbia, criticizing Canada Post for cutting back services in that community and for transferring mail sorting outside the community, resulting in further delays in mail delivery.

In addition, Canada Post has now announced the shutdown of two rural post offices in my constituency at Coombs and Royston, British Columbia. Specifically, my constituents call on the Parliament of Canada to request that Canada Post Corporation be instructed to keep existing outlets, operate longer hours, expand revenue-generating services, stop privatizing and start increasing services to raise revenues.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I particularly want to endorse my friend's petition abolishing the Senate. I think it is a good idea.

It is my privilege to present a petition on behalf of a number of the residents of Kamloops, British Columbia, who I admit are a little bit late in this point but still trying to make it.

They point out their deep and forlorn concern regarding the GST. They ask the government to rethink what it is doing to the people of Canada and to withdraw this tax.

[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, pursuant to Standing Order 36, I present a petition from citizens of Vassan, Val-d'Or, Maniwaki and La Motte in Quebec who request that the Government of Canada shelve the project described as the Parliament Hill sector which, at the estimated cost of $68 million, provides for a parking garage and a shopping mall under Canada's Parliament Hill. They urge the government to acknowledge the need to preserve the environment and the historical character of the buildings and the site of Parliament Hill in Ottawa.

[*English*]

FOOD BANKS

Mr. Sergio Marchi (York West): Mr. Speaker, I would like to present to the House a petition collected by young Canadians in my riding of York West around Christmastime while they collected food for the local food bank, the North York Harvest Food Bank, which speaks, unfortunately, too eloquently to the problem at hand. Over 1.4 million Canadians now avail themselves of food banks across the country and close to 40 per cent of those recipients are under the age of 18.

Therefore, this petition calls on the government to end the economic policies that have contributed to this record number of food banks and begin to become somewhat more sensitive to a very embarrassing situation in a country that should not see a great use of food banks by families.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 411, 412, 413, 416, 420, 427, 428, 429, 430, 433, 435, and 440.

[*Text*]

GOLF CLUB MEMBERSHIPS

Question No. 411—**Mr. Boudria:**

For the last four fiscal years, has Canada Post paid for any golf club memberships for its employees and, if so, (a) how many (b) for whom (c) at which golf club (d) at what cost?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Canada Post Corporation offers to all its employees compensation and benefit entitlements that are competitive with other comparative corporations with whom it competes in the market place for human resources.

As to the specific value of any entitlement, that information is only shared with the employee and the Corporation.

SUPPLEMENTARY ESTIMATES

Question No. 412—**Mr. Caccia:**

Were the Supplementary Estimates (B) 1990–91 and the accompanying statement by the President of the Treasury Board of November 23, 1990, subjected to an environmental assessment prior to their approval by Cabinet, and if so, in each case, (a) who conducted the assessment (b) when will the public statements on the environmental implications be released?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Supplementary and Main Estimates are not, in and of themselves, subject to the environmental assessment process. They represent aggregate statements to Parliament of the expenditure authorities which the government will request for the conduct of its various programs and activities, as well as notification of the expected financial requirements to fulfil existing statutory expenditures already approved by Parliament. Under the provisions of Bill C–78, *The Canadian Environmental Assessment Act*, an Annual Report will be tabled in Parliament which includes a statistical summary of all environmental assessments conducted and completed under the authority of this Act.

In exercising the spending authority requested from Parliament through these Estimates, individual Ministers are responsible for complying with the legal and policy framework established by Parliament and the Government, including carrying out environmental assessments with respect to their department's activities. Some of the individual items in these Supplementary Estimates may have been subject to assessment, either as new policies or programs under the Government's commitment announced when Bill C–78 was tabled or as projects under the Environmental Assessment and Review Process Guidelines Order.

PUBLIC DEBT PROGRAM

Question No. 413—**Mr. Karygiannis:**

What is the breakdown between interest and other costs for the $2.5 billion increase in expenditures on the Public Debt Program from the original Finance Department estimate of $41.5 billion to the total projected expenditure of $43.65 billion?

Hon. Michael Wilson (Minister of Finance): The following table shows the breakdown between interest and other costs for the $2.5 billion increase in expenditures on the 1990–91 Public Debt Program:

	Main Estimates	Current Estimate	Supplementary Estimates (B)
		($ Million)	
Interest Costs			
Domestic Marketable Bonds	14,818	14,662	481
Treasury Bills	13,568	15,037	1,469
Canada Savings Bonds	4,750	5,091	341
Superannuation & Other Interest	8,357	8,566	209
Total Interest	40,856	43,356	2,500
Servicing & Issuing Costs	294	294	0
Total Public Debt Charges	41,150	43,650	2,500

RENOVATION WORK PERFORMED RELATING TO ASBESTOS REMOVAL OR CONTAINMENT IN EAST BLOCK, CENTRE BLOCK AND LANGEVIN BUILDING

Question No. 416—**Mr. Boudria:**

For the (a) East Block (b) Centre Block (c) Langevin Building, has there been any renovation work performed relating to asbestos removal or containment and if so, were the workers made aware of the nature of the work and, if so, in what manner?

Hon. Elmer MacIntosh MacKay (Minister of Public Works and Minister for the purposes of the Atlantic Canada Opportunities Agency Act):

CENTRE BLOCK

Asbestos is present in the Centre Block as insulating material on pipes and some of the duct work.

During the summer of 1989, a specialist contractor was engaged to carry out remedial work on some of the pipes where, by reason of incident or unusual wear, the casing had been opened and asbestos material exposed. The purpose of the work was to ensure that all asbestos was properly encapsulated. Loose material was cleaned up, and properly disposed of.

This work had been thoroughly reviewed with the contractor, prior to its implementation, to ensure that appropriate equipment and approved protective wear would be used during the containment/repair process.

Similarly, last November 1990, additional remedial work, including clean up was completed. In all cases, the contractor was informed of the special measure necessary to ensure the safety of the workers and Building occupants.

EAST BLOCK

Asbestos is known to be present in the 1910 Wing of the East Block on mechanical pipes and most of the plaster walls and ceilings. The 1910 Wing is presently in a state of disrepair because little is being expended for maintenance in view of the upcoming major renovations proposed for this area of the building.

During the spring of 1990, it was decided that containment work should be carried out to ensure asbestos in deteriorated plaster walls or mechanical pipes was properly sealed and encapsulated and did not contaminate the environment. This remedial work was completed during the week-end of March 31, 1990 to April 1, 1990 and generally included the following:

—repairs of minor cracks in plaster walls;

—encapsulation of exposed asbestos material on mechanical pipes;

—clean up of loose material, as necessary, and proper disposal of materials;

—installation of plastic barricades to cover major cracks in deteriorated walls to ensure the material is properly sealed.

The scope of this work has been reviewed, on site, with the contractor prior to issuing the work order. The contractor was made fully aware of the nature of the work involving remedial work in an asbestos environment in order that he may have the required equipment and protective work wear available.

In November 1990, another contractor was hired to carry out similar remedial work. The contractor was informed of the circumstances under which the remedial work would have to be performed.

LANGEVIN BUILDING

No work has been performed at the Langevin Building relating to asbestos removal or containment.

OLD AGE SECURITY—DIRECT DEPOSIT

Question No. 420—**Mr. Milliken:**

With respect to a recent mailing sent out by the Department of National Health and Welfare informing recipients of Old Age Security cheques that they could receive their O.A.S. cheques through direct deposit did the Ministry put in place a mechanism to ensure that those people already receiving their O.A.S. cheques through direct deposit were not sent a copy of this letter and (a) if so, what mechanism was in place (b) if no, why were no mechanisms in place?

Hon. Perrin Beatty (Minister of National Health and Welfare): No such mechanism was required, as there were no Old Age Security clients receiving payments by electronic direct deposit at the time of the mailout. The mailout was in fact the first offer of direct deposit by Health and Welfare Canada, in its phased approach to enrolment.

CONSUMER PRICE INDEX

Question No. 427—**Mr. Malone:**

In relation to the weight attached to tobacco products in the Consumer Price Index (CPI), (a) what is the current weight (b) when was it last updated (c) since it was last updated, by how much have tobacco sales fallen (d) what would be the weight if assigned today?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Statistics Canada Reports:

(a) The weight of tobacco in the CPI is determined through a survey of family expenditure. The survey which gave rise to the current CPI weights took place in 1986. It only provided a combined weight for Tobacco and Smokers Supplies. That weight is 2.1 per cent of family expenditures.

(b) The last update to the CPI weights took place in December 1988 but reflected the results of the 1986 Family Expenditure Survey.

(c) If measured in current dollars tobacco sales increased by 35 per cent between 1986 and the average of the first nine months of 1990. But if sales are measured in constant 1986 dollars, they actually dropped by 13 per cent over the same period.

(d) Since there have been no new family expenditure results since 1986, strictly speaking we do not know what the weight would be if assigned today. However, based on data taken from the National Accounts of Canada the weight should be approximately the same.

CONSUMER PRICE INDEX

Question No. 428—**Mr. Malone:**

In relation to the weight attached to tobacco products in the Consumer Price Index (CPI), does the government plan to (a) assign a new weight (b) adjust the weight on a regular basis?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Statistics Canada reports:

a) Statistics Canada plans to update the CPI weights in January 1994 with the results of a Family Expenditure Survey for 1992.

b) CPI weights are updated approximately once every four years. This has been the pattern since 1978. The next update is delayed by one year because Statistics Canada wants to ensure that the effects of GST are reflected in families' spending habits. Statistics Canada has no plans to update weights more frequently because all its experience shows that more frequent updates would only make marginal differences to the CPI.

CONSUMER PRICE INDEX

Question No. 429—**Mr. Malone:**

If tobacco prices were to increase by (a) 10 per cent (b) 25 per cent (c) 50 per cent (d) 100 per cent, (i) what would be the impact on the all-items Consumer Price Index (CPI) (ii) what would be the impact on the all-items CPI if the products had a weighting in the CPI that reflected current sales levels?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Statistics Canada reports:

(i) Suppose that over a period of twelve months prices do not change. The corresponding CPI annual rate of change is 0 per cent. Suppose now that the only prices that change over the same period are those of tobacco products and that they change by (a) 10 per cent, (b) 25 per cent, (c) 50 per cent and (d) 100 per cent. In that case, the CPI annual rate of change becomes (a) 0.3 per cent, (b) 0.7 per cent, (c) 1.3 per cent and (d) 2.6 per cent.

(ii) Since the weights are approximately the same there would be no difference.

RAISE TAX ON TOBACCO AND TOBACCO PRODUCTS

Question No. 430—**Mr. Malone:**

In order to achieve cost recovery due to medical costs and lost jobs and time due to tobacco use, does the government intend to raise the tax on tobacco and tobacco products, and if so, by how much?

Hon. Michael Wilson (Minister of Finance): Since this is a matter that must be dealt with in the context of a budget, it would be inappropriate to provide an answer at this time. However, the member's representation on medical costs and lost jobs caused by tobacco use will be considered in the preparation for the forthcoming budget.

AIDS/HIV/HEPATITIS B CASES REPORTED WITHIN THE CORRECTIONAL SERVICE OF CANADA

Question No. 433—**Mr. Nunziata:**

For each year, from 1985 to 1989, among (a) staff of Correctional Services of Canada, (b) inmates of the Correctional Services of Canada, how many cases of (i) AIDS (ii) HIV (iii) Hepatitis B have been reported?

Hon. Pierre H. Cadieux (Solicitor General of Canada):

(a), (i), (ii), (iii);

The Correctional Service of Canada does not have the requested information as it is considered to be medically confidential and does not have to be revealed by the employee. All records containing AIDS, HIV, or Hepatitis B related personal information must be designated as protected and handled in accordance with the provisions of the *Privacy Act* and the confidentiality requirements outlined in the Occupational Safety & Health Policy, the Employee Assistance Program Policy, and the Security Policy of the Government of Canada.

(b), (i), (ii);

AIDS and HIV statistics were not maintained on a yearly basis by the Correctional Service of Canada until 1989. However, a cumulative total can be provided as follows: from late 1985 to December 31, 1989, 4 con-

firmed cases of AIDS and 43 HIV infected inmates were identified.

As of December 31, 1989, there were 24 HIV infected inmates incarcerated in federal institutions and no inmates with AIDS.

(b), (iii);

The number of reported cases of Hepatitis B for fiscal year 1986–87 is not available. Statistics for the remaining years requested are as follows:

1985–86—33
1987–88—101
1988–89—99
1989–90—132

FEDERAL GOVERNMENT CASH CONTRIBUTION: POST-SECONDARY EDUCATION AND HEALTH

Question No. 435—**Mr. Karpoff:**

Under the present Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act has the federal government determined when its cash contribution for these provincially–administered programs will (*a*) begin to decrease (*b*) reach zero and, if so, in what two fiscal years will this occur in (i) Newfoundland (ii) Prince Edward Island (iii) Nova Scotia (iv) New Brunswick (v) Quebec (vi) Ontario (vii) Manitoba (viii) Saskatchewan (ix) Alberta (x) British Columbia (xi) The Yukon (xii) Northwest Territories?

Hon. Michael Wilson (Minister of Finance): The reply to Question No. 265 answered on June 26, 1990 provides detailed projections of federal cash and tax contributions to provinces under this legislation.

(a) On the basis of these projections and consistent data for earlier years: for Ontario, Quebec, Saskatchewan, Northwest Territories and Yukon, 1989–90. For all other provinces: 1990–91. These estimated dates are subject to change as further data become available.

(b) No cash contributions reach zero during the forecast period (up to and including 1994–95).

TOTAL AMOUNT OF TAXES PAID BY ABORIGINAL PEOPLES

Question No. 440—**Mr. Walker:**

For the years (a) 1988 (b) 1989, what is the total amount of taxes (direct and estimated indirect) paid by aboriginal peoples?

Hon. Otto John Jelinek (Minister of National Revenue):

(a) (b)

Revenue Canada, Taxation:

The data requested is not available. It is not possible to produce the data requested from the information supplied with individual tax returns.

Revenue Canada, Customs and Excise:

In 1988 and 1989, Federal Sales Tax (FST) payable under the *Excise Tax Act* was collected at the manufacturer's level. It is not possible to obtain statistics on the sales of taxable, manufactured goods to aboriginal peoples. Consequently, it is not possible to provide an estimate of the FST content of the taxable goods which were purchased by aboriginal peoples.

[*English*]

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 417 could be made an Order for Return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 417 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

PUBLIC WORKS

Question No. 417—**Mr. Boudria:**

What are the names and addresses of the buildings identified by Public Works as having sprayed asbestos containing material and for each building, what course of action has been followed with regards to removal and/or containment of such material?

Return tabled

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1530)

[*English*]

THE BUDGET

DESIGNATION OF ORDER OF THE DAY

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons) moved:

That, notwithstanding any Standing Order or Special Order of this House, at 4.30 o'clock p.m. on Tuesday, February 26, 1991, the Speaker shall interrupt any proceedings then before the House, and such proceedings shall be deemed forthwith adjourned, and the House shall proceed forthwith to the consideration of the following motion, to stand in the name of the Minister of Finance, for the purpose of the budget statement of the Minister of Finance.

"That this House approves in general the budgetary policy of the government"—;

That, immediately following such budget statement, the Speaker shall recognize a member of the Official Opposition in debate on the said motion, and when such debate is adjourned the Speaker shall adjourn the House until the usual time of meeting the next sitting day; and

That, the resumed budget debate be in accordance with the Standing Orders.

He said: Mr. Speaker, in the Standing Orders there are long-standing provisions going back decades, Standing Orders 84 and 83(2), that provide for the establishment of an Order of Day for the hearing of the budget simply by the minister standing in its place, but that was a time when we sat in the evenings and the budget was usually done at eight o'clock in the evening after the markets had closed.

Now those provisions do not allow us to start a budget at the usual time. Government Orders commence while the markets are still open in this country and it is inappropriate to give a budget at that time, so that is the reason for this special motion which is necessary as a result of the Standing Orders not keeping up to the change we have made in the hours of sitting in the House.

Last week when the government indicated that it was prepared to present a budget in the House on Tuesday, February 26, I and my colleagues contacted the opposition parties and Independent members as well, to review the schedule the government had proposed and, generally speaking, there was concurrence with that. So, today, we hoped to finalize the timing of the budget presentation by asking that the House concur in this motion and we can then proceed with other business.

I understand that some members have expressed a desire to speak to this proposed motion. I understand that desire and I understand that after a limited amount of debate there will be a disposition to pass the motion and move on to other orders. That is a brief explanation of why the motion is here. We have had considerable discussions and I would hope that we would be able to proceed with this motion relatively soon.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, while the opposition quite naturally will agree to this proposed order regarding the presentation of a budget, I think it important to take a few minutes to put a number of things on the record.

This is the first time that I have been called upon as opposition House leader to co-operate with the government in arranging the business of the House. I want to make it perfectly clear that I hope I shall be in a position to provide this kind of co-operation on most occasions.

It should be noted, however, that co-operation is very much a two-way street. It is my intention to approach discussions about House business as my predecessors have done in a reasonable and understanding manner, and I expect that the leader of the government in the House will do the same.

While the underlying assumption in parliamentary democracy is that the majority shall in the end prevail, it is essential as a facet of the process that the minority has the right to express its views in full. This House represents all of the people of the country, including the 57 per cent who did not vote for the government in the last federal election.

While we accept the parliamentary results of our democratic system and the legitimate expectation of the government that its proposals will be brought to timely decisions, we also insist on exercising the rights that the same system grants to us.

We know that you have a responsibility to ensure that our rights as a minority are maintained. We hope, however, that the government will be able to proceed with the normal courtesies—I underline those words

—that will lead to these rights being respected as a matter of normalcy.

It is well known that the government has initiated a discussion with the other parties in the House concerning the rules and procedures of our proceedings.

We enter these discussions with every expectation that the result will maintain the balance between the legislative needs of a duly elected government and the Canadian people's demand for thorough and proper examination in Parliament not only of the government's proposals, but also of all of its actions.

This is best accomplished through the normal co-operative conduct of the business of this House through honest and meaningful consultation. Our agreeing today to this order is an example—and I want to underline it for the government House leader—of our willingness to make this system work.

I want to get his assurance that in the future with all matters pertaining not only to government business, but indeed to all activities in this House, he will respond with courtesy, with meaningful consultations and not with a whip.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I too would like to spend just a couple of minutes on this motion.

I do so not from the perspective of the House leader of the Liberal Party. It does not seem to me to be useful to have a great deal of debate or discussion about co-operation at this stage. We certainly feel that this is a sensible motion. There is no problem with our reaction to it.

However, in a sense it is a motion which sets out the procedure for the budget. I want to say that from my perspective as the critic in my party responsible for responding to the budget and making suggestions with respect to the budget and so forth, it is unfortunate that the budget is being presented in this House with so little lead time before it in terms of House business.

We would certainly ourselves have appreciated the possibility to make use of some opposition days to put forward some of our suggestions with respect to this budget. For instance, the Minister of Finance today suggested that our position as a party was that we simply wanted to see a great deal more spending take place in this country. We wanted to see the deficit expand, et cetera.

It would have been very useful to have had the chance for some preliminary discussion so that we could point out to the minister that that is certainly not our position.

Our position is very clear. It is a position which says that there is a massive interest rate gap between ourselves and the United States, something which historically is usually a gap of about 1 to 1.5 percentage points. It has become a gap of about 4 to 4.5 percentage points. In fact, this gap has been consistent for virtually two years now.

As a consequence of that massive gap between the two interest levels in our two countries, the Canadian dollar is at a level which frankly makes many of the businesses in my community and many of the businesses in communities across this country uncompetitive. Despite the fact that the skilled workers are there, that good investment has taken place, there has been a sabotaging of the efforts of many of these companies because of the high value of the dollar which has reflected the high value of interest rates in this country, not in an absolute sense, but relative to interest rates in the United States. Therefore, we have stressed the need to reduce that gap so that it returns to its historical level.

• (1540)

The interesting thing is if that is done, we would save as a country in the first year at least $5 billion in interest payments on our national debt because we would be dealing with lower interest rates.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I regret to interrupt the hon. member but I must ask him to keep in mind the relevancy of his remarks in a debate on a motion concerning the time of the budget speech. Eventually the hon. member will have ample time to talk about the issue he is raising now, namely the elements of the budget policy.

Therefore I would ask the hon. member to be relevant to the motion now before the House.

[*English*]

Mr. Langdon: Mr. Speaker, I shall certainly try to keep my remarks more pertinent.

As I was suggesting in the original point, my concern was with the presentation of this motion at this time. This is a motion which sets out the procedures for when the budget is to be presented to the House of Commons. The point which I made is that I think it is crucial that there be a period of time in which members of Parliament, prior to the presentation of a budget, have a chance to put forward suggestions, considerations of importance that the government should be concerned with in bringing a budget forward. In that sense, certainly that portion of my remarks I hope, was considered pertinent.

I want to just add to those points two final comments. First, if there had been the possibility of, for instance, this motion being framed in such a way that we were talking about the budget being presented some weeks in the future, it would be possible for us, particularly in our party, to be able to present to the House of Commons some of the ideas, some of the concerns which we heard across the country on the economic recovery tour, which the New Democratic Party carried forward during the period in which the House was not sitting.

As you have suggested, Mr. Speaker, I certainly will have a chance to talk about some of those ideas and other of my colleagues will as well in the debate on the budget itself. But I do have to stress that it is important for many of the people who made presentations to us and indeed, those who made presentations to the Liberal Party in its somewhat different tour, that their ideas be presented to the House for consideration by the government before the budget was actually presented.

The point I am making, Mr. Speaker, is that as we look forward to the budget debate which this motion will structure, certainly for ourselves we will be commenting with respect to the government's budget proposals. But we will certainly be presenting alternatives which reflect the work of people within our own caucus and the comments and concerns which have been presented to us from various places across the country.

We have prepared a discussion paper on our alternatives for economic recovery. We have talked about these across the country. We will talk about these within this budget debate. We certainly welcome this motion which structures the debate. However, we hope in future years that the government would see to it that there is a possibility to have some preliminary debate, some preliminary chances to put before the House the ideas and suggestions that come from many people across Canada.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I am very pleased to take part in this debate on the pre–budgetary motion, all the more so because, on the eve of the budget presentation, it gives us an opportunity to examine the various factors which make it necessary for the Minister of Finance to table a budget within the next 24 hours.

This is a good time for me to convey to the Minister of Finance some of the thoughts I have concerning tomorrow's exercise. Hopefully he will keep them in mind, Mr. Speaker, because his fiscal and monetary policies have landed us in a mess.

Right now, Quebec is paying very dearly as a result of the fiscal and monetary policy of the Minister of Finance. I would even suggest that the Minister of Finance, intent on cooling down the overheated Ontario economy, is prescribing rather strong medication which forces us Quebecers to pay millions if not billions of dollars more than our own economic indicators would normally call for.

By way of explanation, Mr. Speaker, I support this motion introduced by the government because I am anxious to hear what the Minister of Finance will be telling us. How can he explain that in 1988 the inflation index or the CPI in Ontario, for example, stood at 5.5 per cent as against only 4.2 per cent in Quebec, a difference of 1.3 per cent, and that this year inflation in Ontario is running at 6.6 per cent while it is at 4.7 per cent in Quebec, a difference of 1.9 per cent? We all know that the government's budget policy as it relates to interest rates and fiscal issues is supposedly aimed at fighting inflation. Therefore Quebec now has to pay much higher interest rates, even with that kind of difference, quite simply to make inflation less severe in Ontario.

We can see the same indications on the labour market. This fight against inflation in Ontario therefore has cost 126,000 Quebec jobs since August 1990. We are talking about 126,000 Quebec workers who have been laid off as a result of the Canadian monetary policy, not to mention

their loss of dignity when they lose their jobs and find themselves in the line-up with other Canadians seeking unemployment insurance benefits.

The Minister of Finance will be facing quite a challenge tomorrow. You know that in Quebec now we have record unemployment levels—around 13.3 per cent for Quebec as a whole, but the situation is even worse in some regions like the Lower St. Lawrence and Gaspé area. In the Gaspé area and the Magdalen Islands the unemployment rate stands at 20 per cent.

• (1550)

For example, the unemployment rate in the region represented by my leader, the hon. member for Lac-Saint-Jean, is 17 per cent. I would suggest that all the members from Quebec who are impatiently waiting for the budget of the Minister of Finance will want to urge him to implement special measures for Quebec because of the fact that the national policy seriously harms the over-all economic situation in Quebec.

The Acting Speaker (Mr. DeBlois): I must interrupt my friend the member for Shefford as I interrupted the previous speaker, the hon. member for Essex-Windsor.

I am looking at the motion before us, the aim of which is only to specify the way the Budget will be presented. I just realized that the hon. member is in fact speaking on the substance of a possible Budget.

I would therefore ask him to limit his comments to the subject of the debate. The hon. member for Shefford.

Mr. Lapierre: Mr. Speaker, I understand that you would be annoyed, since unemployment is very high in your area also.

I want you to know that this motion is extremely important precisely because it provides us the opportunity to take a look at the notice, which states that the Minister of Finance tabled a motion requesting: "That this House approves in general the budgetary policy of the Government." Mr. Speaker, this government's general budgetary policy cannot be dealt with without considering unemployment, inflation and interest rates. That is why I think all these factors are interrelated.

Of course, we could debate only the procedure, but I know you have a much broader view than that, and that you too are concerned about inflation. No doubt you were extremely worried last week when you heard that inflation rose above six percent during the past month in Canada, and 1.8 percent of it is due to a voluntary measure taken by this government, i.e. the implementation of the goods and services tax.

You too must have been flabbergasted to see that this government—

Mr. Duhamel: And staggered as well!

Mr. Lapierre: —who claims to battle inflation has become the number one inflation-maker. As I said, Mr. Speaker, like you, I am concerned and nervous at the thought that tomorrow the Minister of Finance will rise and could be announcing yet more taxes, more horse medecine, and I understand your uneasiness.

The fact is, that the number of bankruptcies in Canada increased by 69 percent over the past few months! In the province of Quebec, we are hitting record highs, as indicated in the weekend edition of *La Presse*.

I wonder if we should allow the Minister of Finance—after all he is responsible for driving down our economy over the past seven years—to go on messing up the Canadian economy and particularly the Quebec economy. Our economic situation is getting worse by the day, and Quebec is paying an exceedingly high price. Quebec is suffering the consequences of the national policy. That is why organizations such as the Quebec Chamber of Commerce are starting to question the economic purpose of the union, the Confederation. People are starting to question the way the fiscal policy is established. People now want to know why they should pay exceedingly high interest rates, rates 5 points higher than the American rates. Why indeed, after our inflation was brought under control and the labour movement made big sacrifices. Why ask them to make yet more sacrifices?

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member for Shefford again. I just want to set his mind at rest. The Chair is neither irritated nor upset. It is simply the servant of the House and has its duty is to apply the Standing Orders. According to the Standing Orders any debate must be on the purpose of

the motion, which is merely to indicate that tomorrow afternoon, at 4.30 p.m., the Minister of Finance shall be allowed to make his Budget statement.

I would appeal to the hon. member's common sense and spirit of co–operation.

Mr. Lapierre: Mr. Speaker, like you, I was wondering whether we should allow the Minister of Finance to bring down his Budget tomorrow afternoon. With all the figures we have here, I think we are entitled to ask this question. That is the purpose of this debate. I am sure the Standing Orders of this House are not meant to prevent people from considering, for instance, the record number of bankruptcies we have seen. It is a fact that most Quebecers are concerned about the economy and are not looking forward to the fact that the Minister of Finance will rise in his seat tomorrow at 4.30 p.m. They don't know what to expect.

Besides, they listened to the last two or three Budget speeches made by the Minister of Finance. Those budgets were supposed to have an extraordinary impact, but things are going from bad to worse. As the member for Shefford, I must remind the Minister of Finance before he rises tomorrow afternoon that there are real situations out there. There are unemployed workers who today are still covered by the Unemployment Insurance Act but who will lose their benefits very soon because of the new Unemployment Insurance Act. The last time the Minister of Finance rose, he promised them occupational training courses. You know as well as I do that the minister did not keep his word, because today, there is still no new agreement on occupational training that could provide some support for these workers. These people are worried because they know the federal–provincial agreement on occupational training was not signed on March 31.

Mr. Ricard: Jean, wait until tomorrow! You will know all about the Budget tomorrow!

Mr. Lapierre: I heard the hon. member for Laval who doesn't speak very often but when he does, he speaks from his seat—

Mr. Ricard: Because you talk all the time!

Mr. Lapierre: Mr. Speaker, I can tell you that tomorrow's Budget is making us very upset. We will probably support this motion because we recognize the government's responsibility. Like you, however, I want to make sure before I finish my speech that the Minister of Finance realizes how seriously Quebec has been penalized by his policies and that immediately after his Budget speech tomorrow, he should set up a program to compensate Quebec and restore its economic vitality, because high interest rates, the government's monetary policy and endless taxes have undermined Quebec's economy.

Mr. Speaker, I believe the Minister of Finance is directly responsible for the nasty surprises and statistics we are getting now, and I think he should act accordingly, because Mr. Speaker, under our present system, we must ensure that none of the parties is unduly penalized. In this case, I hope that by 4.30 p.m. tomorrow, the Minister of Finance realizes that his last Budget, his monetary policy and his fiscal policy have caused Quebec very serious harm, and I would urge him to prepare immediately a program that will compensate for the negative impact of his monetary and fiscal policies.

Mr. Ricard: I'll give him the messsage, Jean!

Mr. Lapierre: You never even talk to him!

Mr. Plamondon: Mr. Speaker, I would like to ask my colleague, who just addressed so eloquently the concerns of the Quebecers about tomorrow's Budget. He spoke about compensatory program, but we know that in his two last budgets, the same minister froze the equalization payments to the provinces, so that the Quebec government lost more than one billion and a half dollars. Did he want to suggest in his remarks that, since we managed to give Newfoundland two billion dollars in grants after the Meech Lake Accord demise, one billion dollars for Western development and another one billion for eastern Canada we should—

The Acting Speaker (Mr. DeBlois): I am sorry, but I cannot tolerate this any more—I am naturally a tolerant person, but the debate relates to the timing of the Budget speech. I am a very understanding person, but I do not see the relevance of the remarks to the timing of the Budget speech. Resumed debate.

• (1600)

Mr. Louis Plamondon (Richelieu): Yes, resuming debate, I was giving my question the finishing touch. Mr. Speaker, I am very happy—

During the question and comment period that follows a member's speech, it seems to be the usual procedure of the House, and it is the first time the remarks of a member have been censored. Often, when a bill is discussed, we hear members talk about everything under the sun without the House interrupting on content. The House will intervene about procedure, but never about content.

In that sense, I wanted to put a question to my colleague from Shefford about the compensation fund he was talking about, to warn the minister, still regarding the relevance of tomorrow's debate—which is what I am talking about since that is what the motion is all about—the relevance of allowing the government to table a budget.

Should we allow the minister to table a budget without letting him know the wishes of our constituents? Regarding the suggestion my colleague made about a special fund to pay back the money lost through equalization, if the Minister of Finance listened more closely to the people, the government could get better results in the polls.

I would like my colleague to give us more detail about that compensation fund he is suggesting to the minister.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford, with due regard to relevance of the debate.

The hon. Jean Lapierre (Shefford): Mr. Speaker, all Canadians are interested in this debate on the economy.

I think today is the right time to get a few messages through to the Minister of Finance since he is the one asking our permission to speak tomorrow at 4:30 p.m.

Mr. Ricard: It's already done, Jean!

Mr. Lapierre: Mr. Speaker, you know then that a few of your colleagues—sorry, a few members across the way—don't even bother to stand up when they're speaking. I hope they will stand up and tell the Minister of Finance how their government has thrown Quebec into an unacceptable recession.

I hope, Mr. Speaker, that those members who are mute, who are like sheep, will once and for all tell the Minister of Finance that Quebec urgently needs the one billion dollar compensation fund to get its economy going again.

Mr. Speaker, I think that the delays and the economic problems we are presently experiencing are a direct consequence of the government's monetary policy.

Mr. Peterson: That's true.

Mr. Lapierre: We are not blind, Mr. Speaker, to the reality of interest rates. One can see historically prosperous concerns go bankrupt every day; the bankruptcy rate has gone up by 69 per cent, Mr. Speaker.

And the members across the way have the nerve to applaud the Minister of Finance when we know that the bankruptcy rate has gone up by 69 per cent. The government itself is going bankrupt, Mr. Speaker. It is going bankrupt economically and politically. Consequently, we are giving it the chance to boost its fortunes and to help Quebecers have a bit more faith in its administration. I urge them to take immediate action and to demand of the Minister of Finance demand a compensation fund which will help Quebec's economy get going again, as it should be. The fact is, this government is responsible for strangling Quebec's economy.

Mr. Peterson: And Canada's economy.

Mr. Lapierre: And all that was done in an attempt to please Ontarians, or rather to control inflationay pressures in Ontario. And I feel sorry, Mr. Speaker, for my colleague, the member for Willowdale, who is forced to admit it. The government of Canada has drawn its policies for Ontario to the detriment of Quebec. In that sense, Mr. Speaker, it is unacceptable and I hope that they correct the situation no later than tomorrow at 4:30 p.m.

The Acting Speaker (Mr. DeBlois): Questions or comments?

Mr. Rocheleau: No, Mr. Speaker, debate.

The Acting Speaker (Mr. DeBlois): Resuming debate. The Hon. Member for Hull—Aylmer has the floor.

Mr. Gilles Rocheleau (Hull—Aylmer): In the House which is nearly empty, I am concerned with the fact that the minister of Finance will table his budget tomorrow, while the current budget is not yet over and that we have lived through some significant events over the past year. Not only this government, but Canadians generally have had to face very tragic times following the implementation of the Finance Minister's last budget. There is a motion calling for a budget to be tabled. Yet, Mr.

Speaker, this motion makes it possible for hon. members to warn the Minister of Finance who is about to table his Budget tomorrow that in view of the very serious and negative economic situation faced by most Canadians, while provincial governments—I am talking here about the Quebec Government which, under the Ryan reform, will dump a $500 million deficit into the municipalities backyards—while the Quebec Minister of Finance indicated a few weeks ago to the Quebec people that the Federal Budget this year would deprive the Quebec economy of several tax points. Mr. Speaker, the House is almost empty as the government is about to tighten the screw without taking into account its Budget's implications.

Mr. Speaker, we were told in last year's Budget that interest rates would come down markedly. Over the last months, we have just experienced the beginning of a reduction. Last year's Budget never mentioned a recession. Yet, we had to face a recession "made in Canada". Why is the situation today so serious? It is because the Minister of Finance orchestrated a recession which he doesn't know now how to control.

This is the situation as it exist today and we want to warn him, Mr. Speaker. We are not especially against the fact that the Minister of Finance will table his Budget tomorrow. We are not against the motion. We just want to give him fair warning, and I do so on behalf of my Hull—Aylmer constituents, because we are part of the National Capital Region. My riding which is on the Quebec side of the Ottawa Valley remains a federal constituency pending Quebec's sovereignty. Until then, there are federal civil servants working here and I want to make sure that they will not be transferred as was the case for some last week under the immigration agreement policy. Some 60 of them were transferred to Montreal or Quebec City.

The same with the GST, Mr. Speaker. Some 500 civil servants were transferred to tie in the GST with the provincial tax. These National Capital Region civil servants are being moved away. Just now, we are in a constitutional deadlock and the Finance Minister will table a Budget. Quebec is being penalized because of Ontario's overheated economy, and we should keep quiet about it. Just a minute! We are still Canadian citizens. We still carry Canadian passports and we are here to defend Quebec's best interests and we want to be heard. This government Tory members do not speak out on behalf of Quebecers. It is the members of the Bloc québécois who stand up for them. That is what we wanted to tell the Minister of Finance, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): Questions and comments.

Mr. Louis Plamondon (Richelieu): First of all, I wish to congratulate my colleague from Hull–Aylmer for questioning the appropriateness of tabling the Budget tomorrow, of allowing the Minister of Finance to table a Budget tomorrow. I would like to ask my colleague this: Can we afford to allow a Minister to table a Budget if he indicated in the preceeding weeks neither the intention to control the deficit nor a firm commitment on the part of the government to help businesses and act on bankruptcies. Record numbers of bankruptcies in Montreal are reported in today's paper, but no commitment has been made toward reducing unemployment. All that was picked up by my colleague and very well conveyed by him, especially when he talked about shovelling. Could he explain further what he was saying about the Federal Government having shovelled in the backyard of the provinces and the provinces in turn shovelling in the backyard of the municipalities, so as to show the minister before he tables his Budget how important it is to put an end to that shovelling through a freeze in transfer payments?

• (1610)

So, very briefly, Mr. Speaker, we heard today the Minister of Finance tell this House that the Canadian Air Force had been authorized to fly bombing missions over Iraq and Kuwait, which would increase expenditures in the Defence operating budget. That is all shovelling. We are already contributing to this war effort as part of the United Nations. First, we provided protection and, in the last month, we played an escort role. Today, everything seems to be going perfectly in the US–Irak war. And now, because the Prime Minister is up a few points in the polls, we take on an attack role. How

many more millions will that cost, Mr. Speaker? That is all shovelling in one another's backyard.

We were told last week and again this week by the President of the Treasury Board in Quebec, Mr. Daniel Johnson, that there would be no tax hikes. Right! Some 500 millions in expenditures will be shovelled in the backyard of the municipalities. There will probably be no federal tax hike, but the deficit will increase accordingly and the Federal Government will transfer to Quebec important expenditures which Quebec will in turn transfer to yet another level. That is what shovelling is all about, and that is why Canada's present system is not working anymore.

The Acting Speaker (Mr. DeBlois): Questions and comments.

Mr. Phillip Edmonston (Chambly): Thank you, Mr. Speaker. I only wanted to address a short comment to my colleague from Hull—Aylmer. I undestood him well when he criticized the minister of Finance as I could do the same, of course. We are all afraid when we realize that the minister is preparing a new budget because, if we consider the other budgets that he introduced in the past, we are aware of the damage that they did to us. But I didn't understand my colleague when he spoke of daydreamers because in the past he called daydreamers a certain group of people, mostly the independentist in Quebec and when standing up for Quebecers, he said the Bloc Quebecois is the only real defender of their rights. I ask myself a lot of questions about that because I find there is a certain hypocrisy in the House which might be normal because people are a little bit like that. But when we are talking about the rights of Quebecers and the Bloc quebecois, I am obliged to say that I checked if my colleagues of the Bloc quebecois voted in favor of abortion.

Some hon. members: That is not true.

Mr. Edmonston: During the vote, I remember that some of them voted for the bill and one of them voted against it. You can read in the record and you know who it was, it was the member for Verdun. I took note of that and I said to myself: "Here is the one who stands up for Quebecers, women as well as men." I can speak to you about—

Mr. Lapierre: Point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford on a point of order.

Mr. Lapierre: Mr. Speaker, I know that my hon. colleague for Chambly should know better than that for he would have noticed that the member for Shefford, the member for Hull—Aylmer and the member for Richelieu have all voted against that measure. We strive for all Quebecers but, most of all, for the Quebec women.

Mr. Edmonston: Mr. Speaker, if I am mistaken, I am ready to admit what the hon. member just said, but surely, when one looks at the results of the vote here in this House, one finds some contradiction. For example, on the issue of war, as the hon. member for Saint-Denis just mentioned, we do not see a political party voting as one, but a political party rather torn by dissension on many important issues.

Mr. Lapierre: Free men!

Mr. Edmonston: Free men, as my honourable friend just said.

But on the issue of war, for example, I do not think the way the vote was presented and the way the Bloc Quebecois voted had anything to do with the interests of Quebec. We might have different views, but I do not think that to vote for this war was to stand for the interests of Quebec.

Finally, Mr. Speaker, speaking of standing for the interests of Quebec, we have seen members of the Bloc Québécois vote for the GST and now, of course, they complain that the GST is hurting us. But we have to talk about the background of those people. Before becoming members of the Bloc quebecois, they created the evil they are now complaining about. That is not what I call to stand for the interests of Quebec men and women.

The Acting Speaker (Mr. DeBlois): The hon. member for Hull—Aylmer had a question or a comment?

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, I did not detect any questions, but I still want to comment on one of the statements that the member made.

I voted against the Abortion Bill. As for the war issue, I think we voted to support the UN, but I did not vote, for example, for our CF-18's to bomb Kuwait and Iraq.

The minister of Finance told us this morning that that will cost more in the Budget, and I am against that.

The Bloc quebecois is defending the interests of Quebec here in this House, because the three members of the Bloc quebecois, beside the member for Chambly, rose to speak, while no Quebec member from the Conservative Party did. Soon, it will be too late, the Budget will be passed and, after that, it will be criticized. I would rather criticize before than after.

The Acting Speaker (Mr. DeBlois): There is one minute and a half left for questions and comments.

Hon. Jean Lapierre (Shefford): Mr. Speaker, the member for Hull—Aylmer mentioned the most particular situation of his region and I would like him to expand on the situation of public servants in his region, who could be affected by the Budget. For instance, it has been said that the Minister of Finance's Budget would be at the expense of the public servants. I would be pleased if he could elaborate.

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, I must say to my colleague from Shefford that it is true that since the Conservatives took power in 1984, there has been a reduction of about 10 per cent in the number of civil servants. The Outaouais has had to absorb part of that reduction. Today, we hear about significant cuts and the President of the Treasury Board has even given notice of that. Will the people of the Outaouais and of the National Capital have to bear the brunt of this Government's mismanagement or will it be the same kind of cuts in the Public Service that we have seen in the last few years? That is a concern for me and for the other members on this side of the House.

The Acting Speaker (Mr. DeBlois): That puts an end to the question and comment period. Resuming debate.

Mr. Louis Plamondon (Richelieu): Mr. Speaker, like my two colleagues, I wonder how relevant it is to let the minister of Finance table his budget tomorrow. The Minister is about to table a budget in cooperation with our two traditional political parties which have not bothered to let him know that our people, our constituents are very, very worried. They are concerned about what has been going on for the last two years, and before a new budget is tabled, they would like the minister to promise them budgetary cuts, expenditure restraints for example, in order to reduce the deficit.

Before the budget is tabled, they would like the minister to make a very firm commitment to fight unemployment. For example, what does the minister plan to do about interest rates? Will he let them go 4 percent to 5 percent above interest rates in the United States? Will he let the Canadian dollar go as high as 90 cents, knowing that would hurt some companies in my constituency? I would like to have all these commitments before we have a final text, in theory at least, before we give the Minister of Finance leave to table his response to the current recession that he created with his last two budgets. What kind of commitment does he make, before tabling his budget, that he will fight the recession?

• (1620)

Can he promise that he will not freeze equalization payments as he did the last two years, because that was very damaging to Quebecers? What kind of guarantee do we have that the federal government will not, as headlined today the *Journal de Montréal*, continue to waste taxpayer's money. What guarantee do we have that we will not see extravagant spending like $14,171 for a video on "Minister Bill McKnight". Fourteen thousand dollars to make a video to send to military personnel. Is it acceptable to spend $34,533 for a TV program on the Department—I mean the Defence Department—sent via satellite, and $36,385 for a video on safe driving in Germany? Could the minister guarantee, before tabling his budget, that such profligacies won't be repeated?

Mr. Lapierre: This is awful!

Mr. Plamondon: For a video on controversial flights by NATO planes over the Goose Bay area, in Newfoundland, they spent $37,554. And then a further amount has been granted for translating it into Italian, German and Dutch. Could the minister promise the House that no more funds will be wasted in such a way? And what about $40 000 spent for the making of a video on a State visit to Rideau Hall? How could the Department of National Defence spend more than 40 million dollars on various videos? More than 200 videos have been made so far. What next? Porn flicks? We could always make some to entertain our soldiers who might be lonesome abroad. The Canadian International Development Agency spent $55 000 to make a video on the various cuisines of the world. And that kind of spending has been going on for years. Most of these video films are available only to a restricted client group according to the newspaper re-

port. That is what has been going on for two years while cuts have been made in equalization payments, forcing the Government of Quebec to recover its loss from the municipal governments.

Such permission should not be granted to a minister. I think that the Prime Minister should remove the Minister of Finance and allow another minister to manage the finances of the Canadian Government and I suggest that that the minister would make commitments through a public statement followed by a request put to the House to ask its permission to table a Budget that would embody what he thinks of state financing. But no, today, they table a proposal, a blank cheque saying: the Minister of Finance wants to table another controversial budget which will not cure unemployment, which will continue to drive industries into bankruptcy, which will maintain an untolerable deficit, which will still allow high interest rates in collaboration with John Crow, in charge of the Bank of Canada, and an inflated value of the Canadian dollar, which will harm our exports, force us to stay in a perpetual recession and to invent a new recession made in Canada. Can we allow such a Minister of Finance to table a budget tomorrow? It is what this House is asking us today. I am asking you: would it be logical and would we not be the accomplices of this minister if we agreed to the tabling of such a budget without a public commitment from the minister that this government has indeed come to its senses.

No, there is no commitment that we are going to curb this intolerable deficit, lower the rate of unemployment or stifle an overvalued Canadian dollar. There is no commitment, so my dear fellow citizens, brace yourselves, it is going to be tough. Tighten your belt while we make $14,000 videos about minister Bill McKnight and a $36,000 video, in French and in English, on safe driving in Germany.

Can we allow that to go on? Can we allow that kind of expenditures to continue? Another video about Rideau Hall—

An hon. member: Sheer irresponsibility!

Mr. Plamondon: It is unacceptable. That is why—

An hon. member: About Rideau Hall?

Mr. Plamondon: Yes, sir, about Rideau Hall, $35,000 spent by National Defence to tell us all about Rideau Hall. So those are the kinds of expenditures, no wonder we read scathing headlines about on-going irresponsible expenditures of taxpayers' money. This is why we in the Bloc Quebecois find it so hard to allow the minister to go on spending like that.

Today we fail to understand why the Quebec Conservative members remain silent—

Mr. Lapierre: They are not here!

Mr. Plamondon: Now that the Prime Minister has delivered his federalist speech, they can be expected to behave like the old Liberal noodleheads of 1982 who stood idle while the government repatriated the Constitution without Quebec's consent. Now of course they are like lambs, silent, glued to their seats. But tomorrow they will all be here to give a round of applause to the Minister of Finance, but such days are nearly over. After the next election we will be glad to mail pension cheques to those who deserve them, but the others will have to apply for unemployment insurance and then they will realize that this government has cut down the benefit period. They will perhaps be affected themselves and they will be in a better position to understand why people have a hard time accepting that this House is silent and allows the Minister of Finance to table a budget tomorrow without making a public commitment to his constituents, and the citizens of his province and of our two countries, Quebec and Canada. No concrete commitment has been made and this government asks for a blank cheque. I could not put up with this undemocratic procedure and such callous indifference to the hardships of my constituents. I thought it was my duty to stand up and refuse the blank cheque this government is asking for.

I had to warn this government who has been such a disaster for the Canadian economy, particularly in the last two years, I had to tell you, before the tabling of your budget, that we will not tolerate the same kind of budget once again. Things have to change. While all other members in the three official parties were silent, we will have done our duty and publicly warned this government about the dissatisfaction of our constituents and the tragedy the whole Canadian economy is about to experience.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I would like to start by congratulating the hon. member for Richelieu. His speech illustrates the difference between a member who is free to speak his mind and a group that is absent from the House but nevertheless carries a great responsibility. There are about 50 or 60 Conservative members from Quebec but in today's debate, we have not heard from a single one.

The hon. member for Richelieu is to be commended because he is not afraid to say what he thinks. He has no qualms about expressing the frustrations of his electorate on the floor of this House. The Minister of Labour has just come in. Perhaps he could give us his opinions and the opinions of his constituents on the very serious unemployment situation in Quebec, the bankruptcies in that province and the very serious situation in the city of Montreal. Ever since he became the minister responsible for Montreal, things have gone from bad to worse. He is the worst minister responsible for Montreal Island we have had since Confederation. All he does here is smile, without saying a word, without responding to the concerns of the people of Montreal. I want to say to the hon. member for Richelieu that if the minister responsible for Montreal Island had as much courage as he does, he would not be as low in the polls as he is today. The minister should have come sooner, because the hon. member for Richelieu had a lot of good advice for him about how to get Quebec's economy back on its feet. I would ask the hon. member for Richelieu whether he could provide a short description of the situation for the benefit of the minister who just came in.

• (1630)

Mr. Plamondon: With pleasure, Mr. Speaker. I want to thank my hon. colleague for his kind words, and I would also like to return the compliment and say how much I appreciated his speech. He proved his point most eloquently on the relevance of warning the minister of the problems facing Canada before allowing him to bring down his Budget. He referred to the minister responsible for the Montreal region, the Minister of Labour. They say the name of his department is going to be changed very shortly to department of unemployment a more appropriate description of the minister as well and the region of Montreal which he represents in this government. His continued silence is typical, so that the problems I raised earlier concerning unemployment, record bankruptcies—A newspaper like *La Presse* had the following headline: Montreal has record bankruptcies! So I think the minister should act responsibly and do something to—It says here it is worse than in 1982, in terms of businesses that have been forced to close down. The minister should take his own department and his responsibility for the Montreal region in hand and do something to stop this. I also mentioned the deficit. For two years the government has been promising us the deficit would go down, and now we will have an even bigger deficit than predicted. Their excuse will be the war in the gulf and interest rates, but did they do anything to control those interest rates? I mentioned this earlier: the 4 or 5 per cent spread between interest rates in Canada and the United States has been very harmful, especially to Quebec. Of course, it served the interests of other regions in this country but Quebec did not matter, as usual.

We talked about the value of the dollar which is now at 87 cents. What kind of commitment is the minister prepared to make to change this? And this is why we in the Bloc Quebecois are very reluctant to allow the minister, as proposed in the motion tabled today, to bring down his Budget. Can we say yes to a minister who has made no commitment and who acted irresponsibly, keeping interest rates high throughout the year, to serve the interests of one particular region in this country, at the expense of Quebec? A minister who froze equalization payments—

The Acting Speaker (Mr. De Blois): I am sorry but I have to interrupt the hon. member for Richelieu because he is talking about the Minister of Finance whereas the motion is about the moment when the Budget will be tabled.

Mr. Plamondon: Thank you, Mr. Minister, I mean Mr. Speaker.

An hon. member: He is not a minister yet.

Mr. Plamondon: I mean Mr. Speaker. Again, when you bring me back to the subject matter, I sometimes have the impression that it is a form of censorship in the sense that the British parliamentary system has always been very open—

An hon. member: He would be a better minister.

Mr. Plamondon: Yes, perhaps, you are the Speaker, but you probably would make a better minister than our present Minister of Finance.

An hon. member: It always destroys them in the end.

Mr. Plamondon: My colleague is suggesting words that I would not dare to repeat. I leave that to him.

I was speaking to the minister responsible for the Montreal region, because the region was deeply affected, and I was hoping, by calling on his attention, that he would have the Minister of Finance undertake public commitments. We expected that from the minister before the House was recalled, we wanted him to undertake public commitments to put the situation right and avoid the same type of budgets that always cornered Quebec, that always did Quebec wrong. More than $800 million in the last budget on account of an equalization which was frozen, without notice. And we get ready to cut again.

But they want to keep the powers to themselves. They want the constitutional powers. But when comes the time to pay, they pass the bill on to Quebec. The only assurance Quebec has from the federal governement is that it will get the bill. That is for sure. But it is another thing to get concrete commitments to remedy unfair situations created by this minister— the recession created by this minister. Should we allow a minister to table a Budget? That is the question. And, Mr. Speaker, as was already mentioned a while ago, we have to ask ourselves today if it is adequate to table a Budget. Or is it adequate to allow a minister responsible for heavy unemployment, many bankrupcies, an inacceptable deficit, intolarable interest rates, a too strong dollar and a recession—

Can we say today to a minister, while smiling as do the Opposition members, NDP members and especially my conservative colleagues from Quebec, that he can continue to ruin this country by tabling a Budget that will do nothing to remedy the economic situation? Can we do that? Are we going to be that irresponsible? Are we members of the House only, as my colleague from Hull—Aylmer said, when the strings are pulled, and all jump to their feet to vote en masse as the whip says, or will we be in control, take our responsibilities as parliamentarians and warn this Minister of Finance that he will not be able to table a budget if he does not seriously commit himself to correct the disastrous economic conditions we are in today.

We, members of the Bloc quebecois who decided last weekend to found a political party, warn all of you who remain silent today, that you will have to face a member of the Bloc Quebecois and will pay dearly for your silence and the economic destruction of the country you are entrusting to the Minister of Finance. We will not allow him to table a budget without saying aloud and shouting our determination—

The Acting Speaker (Mr. DeBlois): I apologize for interrupting, but in case other members would like to— Other members may want to put questions to the hon. member for Richelieu.

Is the House ready for the question? May I be dispensed from reading the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

* * *

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C–91, an act to amend the Financial Administration Act and other acts in consequence thereof, as reported (with amendment) from a legislative committee.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): It has been proposed that Mr. Peterson replace Mr. Milliken. Is the House agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): There are three motions on the notice paper at the report stage of Bill C–91, An Act to amend the Financial Administration Act and other Acts in consequence thereof. They are all

in the name of the hon. member for Kingston and the Islands.

[*English*]

Motions Nos. 1, 2 and 3 are acceptable and will be debated together but voted upon as follows: Motions Nos. 1 and 2 will be voted on separately.

Affirmative votes on Motion No. 1 or Motion No. 2 will obviate the necessity of a vote on Motion No. 3.

If Motions Nos. 1 and 2 are rejected, Motion No. 3 will be put to a vote.

MEASURE TO AMEND

Mr. Jim Peterson (for Mr. Milliken) moved:

Motion No. 1.

That Bill C-91 be amended in clause 6 by striking out line 19 at page 4 and substituting the following therefor:

"the service or the use of the facility to the user or classes of user who benefit thereby."

Motion No. 2.

That Bill C-91 be amended in clause 6 by striking out line 47 at page 4 and substituting the following therefor:

"lation or order provided that such rules for adjustment may not provide for the consideration of any new factors for adjustment of the amount of a fee or charge."

Motion No. 3

That Bill C-91 be amended by deleting clause 6.

• (1640)

He said: Mr. Speaker, I appreciate the consent of my colleagues to speak on this issue.

First of all, let me say that the hon. member for Kingston and the Islands, who proposed our party's three amendments, has done an excellent service on behalf of many people who have come to him, to me as well as to our party, to discuss the potential implications of these amendments to the Financial Administration Act.

In brief, we applaud the government for many of the proposals which it has put forward in this bill. We feel that many of the housekeeping amendments which it has made have been long overdue. Many have been recommended by the Auditor General for a number of years.

We commend the government for dealing with these important issues which are going to streamline many of the government operations. But it is wrong to assume that the entirety of this bill to amend the Financial Administration Act deals simply with housekeeping amendments.

There are some provisions which give our party, the people on this side of the House, and many Canadians a great deal of concern.

The one that has caused the most concern is the one which deals with the concept of user fees. By these amendments the government is enlarging its power to impose fees or charges for services for any of the functions which it performs on behalf of Canadians.

You might ask, whether it is proper for Canadians who benefit to have to pay the cost. We do not do that in everything. We have a general revenue fund out of which we pay the costs of health, the costs of education; after all, it is not just students who pay the costs of education because we all benefit from having a highly educated populace.

The concept of user fees and charges can be taken to an extreme whereby one could destroy the basis of what this country is about, and destroy the basis for imposing taxes. If the concept is taken too far, only the people who benefit in any measure or used any type of facility would be the ones who would have to pay for it.

Let us be fair. There was not a groundswell of Canadians who came forward to speak to the committee about the problems created for their particular groups or industries because of this bill. But those who did come forward raised some very important concerns for us.

One of the major concerns was: How far is the government going to go in imposing user fees or charges? What are the real intentions of the government?

We asked this at committee and they said: "Well, we might have to charge a little more for passports to make sure that the costs of issuing passports are borne by the people who receive them. We may have to charge Xerox costs or reprinting costs."

We have no objection to small things like this, but they would not confirm for us that they were going to limit the powers granted to the Governor General in Council—not the subject of a debate in Parliament, but simply an Order in Council proposed by the government and written up behind closed doors.

We asked questions such as this: What is the government's hidden agenda? How far are they going to go? Will there be user fees for the Trans-Canada Highway? What about services at our airports? What about customs services for our importers and for our exporters? Should only they bear these costs?

What about the airport user fees themselves? Must they all be self-supporting and self-sustaining? It is taking the concept of privatization and pay-as-you-go to the maximum limit.

We have one particular industry which raised concerns with us, namely the shipping industry in Canada. Let us look at a bit of the background. A short while ago Transport Canada proposed that the shipping industry pay a higher cost for certain services rendered by the Government of Canada to it. However, it said that these costs were not going to be borne by pleasure craft owners or fishermen, but were going to be borne by our commercial shipping industry. These charges, according to the government, are going to be borne by the big shippers, those who ship grain, coal, iron ore and steel.

Who should pay for the costs of shipping services such as navigational services, search and rescue, ice-breaking, the Coast Guard fleet and navigational aids? Reasonable people are going to debate and have differences of opinion on who should bear the costs of maintaining a high standard of navigational safety and sophistication in Canada. We want the search and rescue operations of the Coast Guard, but who is going to pay for them? Should it be all boaters? Should part of it be out of the general revenue fund of Canada? These are issues which are critical to all of us as Canadians and must be the subject of debate and representations in the House of Commons.

For example, now the big shippers themselves pay for 100 per cent of Ports Canada. They pay for 100 per cent of the Seaway costs, the pilotage costs and most of the costs of the Grain Commission in Canada. But if we are going to extend the costs to these big shippers of these other services that Transport Canada is talking about, why will the government not come forward and say so?

What the government have said to us is that it does not know what it is going to do and it will not give us any commitments as to how far it will go. Then it proposes some amendments to its own bill in response to these representations which have been made to it. I appreciate that the government is attempting to be forthcoming, but I really do not think the government heard or understood exactly what those representations involved.

First of all, what we as Liberals, and what the Milliken amendment attempted to do was to say that if additional fees are to be imposed on users as opposed to the general revenue fund or the budgets of departments, please make sure that it is borne by all of the persons who use that facility. In other words, do not just hit either the big persons or the small ones, or the foreigners who come into Canada, or the domestic people, or the people from central Canada; make sure that the users who benefit from those facilities are the ones who are paying for it. If you do not benefit why should you have to pay for it?

Should not the question of increased services to our shipping industry be the subject of open discussion with them? If they do not want those services why should they have to pay for them? Why should those services not be the subject of a political decision? Then the fees could come out of general revenue or departmental budgets.

The hon. member for Kingston and the Islands who has just come in here now, had proposed three amendments on our behalf. These amendments were designed to ensure that the persons who pay were the users who "benefited" from the services provided. Surely this is reasonable. Why would the government not have accommodated our party and the hon. member's proposal by allowing this simple amendment?

That is why, there is much good in this bill. We congratulate the new Treasury Board minister for his efforts in bringing forward this bill to update the law in the Financial Administration Act. But we do not want to give a blank cheque to the government, under the section 6 amendment dealing with user fees, to be able to impose the fees right across the board. It is arbitrary. It is against what we stand for in Parliament. It is unfair to those persons. It could hurt industries unfairly and that is why we have to oppose this bill, unless we can get the amendments which we seek.

• (1650)

The Acting Speaker (Mr. DeBlois): Before recognizing the next speaker, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for South West Nova—Fisheries; the hon. member for North Island—Powell River—Oka; the hon. member for Winnipeg North Centre—Regional Development.

Resuming Debate.

[*Translation*]

The hon. Parliamentary Secretary to the Minister of State (Finance) has the floor.

[*English*]

Mr. Dave Worthy (Parliamentary Secretary to Minister of State (Privatization and Regulatory Affairs) and Minister of State (Finance)): Mr. Speaker, I think there was a promotion in there that was not intended.

Mr. McDermid: Take it while you can.

Mr. Worthy: I would like to address the motion made today by the hon. member opposite on Bill C–91. This is the aspect that has generated the most discussion, both in this Chamber as well as in committee. It is, of course, the amendment to section 19 in the act concerning user fees as proposed in clause 6 of this bill.

What section 19 of the Financial Administration Act is primarily concerned with is services that are provided to discrete and identifiable users or a group of users. The underlying principle is that, subject to program considerations, costs of services and rights and privileges should be paid by those individuals or groups of individuals.

I would be remiss if I did not underline the qualification in there: "subject to program considerations". The impact that fees will have on users, other affected parties and program objectives are very important considerations. In some cases there may be no user fees that should be imposed, or they could possibly be set to recover less than full cost, where imposing a fee or recovering full cost would jeopardize program objectives. On the other hand, not imposing appropriate user fees where circumstances warrant places an unfair burden on the general taxpayer.

An aspect of clause 6 that has been the subject of considerable discussion is the concept of setting fees by class of users. This change is intended to clarify that costs are to be averaged within classes when setting fees, where it is impractical to set individual fees every time a service is provided. While it may be decided for public policy or other program reasons that certain users should not bear the full cost of this service, it is not the intent that these costs will be recovered from other users.

However, concern has been raised that the current wording does not provide assurance that a class of users will not be charged more than the cost of service provided to that same class of user. In our view, taken as a whole, the current wording of clause 6 does provide this assurance. However, it may be useful to make it clearer.

The hon. member opposite proposes to do so through using the words, "to the user or classes of users who benefit thereby".

I do not want to take a lot of time, but I think we should indicate that this wording in itself has some problems. The phrase, "who benefit thereby" introduces a subjective test, whereas what is important is that a particular service or facility has been provided to a user or class of users.

For example, in the case of certain inspections falling under the Department of Agriculture, there is no question that a service has been provided, however one might argue who has been the ultimate person to benefit from that.

Accordingly, as an alternative to the wording suggested by the member opposite, I propose two amendments.

First, that motion No. 1 to amend clause 6 of Bill C–91 be amended by deleting all the words after the word "therefor" and substituting the following therefor:

> "the service or the use of the facility to the users or class of users."

Second, that motion No. 2 to amend clause 6 of Bill C–91 be amended by deleting all the words after the word "therefor" and substituting the following therefor:

> "lation or order, but no such rules may provide for the consideration of any factors of adjustment that are not specified in the rules"

I think the House will see that this will in fact make the situation clearer for all.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): Both motions presented by the hon. Parliamentary Secretary to the Minister of State for Finance are admissible.

MEASURE TO AMEND

[*English*]

Mr. Angus: On a point of order, is it not a requirement at report stage that if notice has not been given of amendments that unanimous consent must be sought to allow these amendments to be put.

Mr. Baker: Yes, Mr. Speaker, I wonder as well if you could consider the motion that is presently before the House which, as you explained it, is really a combination of three motions and one of them, if I understood you correctly, was to eliminate an entire section of a particular clause. I am wondering how one can amend an amendment that calls for a deletion.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): As for the first point of order raised by the member for Thunder Bay—Atikokan, I am told that it is not necessary to give notice to move an amendment which is already before the House.

Regarding the second point of order raised by the member for Gander—Grand Falls, the Chair is taking note of it. I will render my decision as soon as possible. Meanwhile, the debate of the motions can resume.

MEASURE TO AMEND

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, it is a bit of *déja vu* for me to rise on this bill today. It takes me back to another bill in this House at another time, back in 1985. It was called the Canada Shipping Act, Bill C–75 and it was clause 4 at that time. That clause attempted through the front door to do what clause 6 in Bill C–91 is attempting to do through the back door and that is the imposition of user fees, particularly on the marine industry of Canada.

• (1700)

The government's attempt with Bill C–75 failed back then. This attempt must fail as well. If it does not fail it will be yet another nail in the coffin of Canada's maritime industry. In fact, it will go the way VIA Rail and other industries did in Canada at the hands of this government.

One more cost burden is being put on the marine industry that will only accelerate the following: the scrapping of existing ships owned by Canadian companies and turning them over to the wrecking yards; reflagging of the remaining salty-lakers on the Great Lakes–St. Lawrence Seaway; consolidation of steamship companies both on the Great Lakes and elsewhere. These actions in turn will see major job losses and major losses to the treasury of Canada and to the provinces and, obviously, increases to unemployment insurance and welfare.

I must say at the outset that the amendments put forward by the government do not deal with the real problem. While they are an attempt to make a bad bill slightly better, the problem still exists and that is the policy of this government and the implementation factor contained in this legislation that would allow them to proceed with the cost recovery measures.

As a nation that is based on exporting, we will at some point be without our own marine industry in which to transport our grain, coal, potash, as well as our other commodities.

In the short time available to me I want to quickly underline the procedural situation that we are in. We have the government that on the one hand is saying clause 6 of Bill C–91 does not in any way give it new powers as it applies to the marine industry. In fact, the Minister of Transport said in a letter on December 17, 1990, to the President of the Treasury Board:

> It is my understanding that no new legislative authority is necessary to permit implementation of the department's proposals, should it be decided in due course to do so. In the opinion of the Department of Justice, the existing section 19 of the FAA (Financial Administration Act) provides a sufficient legal foundation.

The Financial Administration Act has been around since well before Bill C–75 was tabled in this House and debated. The question I ask and representatives of the marine industry ask is: if in 1985 amendments were needed to the Canada Shipping Act to allow for the Coast Guard's cost recovery measures to be implemented, why all of a sudden is no legislation required now?

Or if, on the other hand, the amendments in clause 6 are not aimed at the marine industry, who are they aimed at?

The marine industry has tracked this particular legislation from the time it came to realize that in fact it was a threat to it, that it would enable the government to do through legislative means what the industry believes, and certainly reports from the joint committee on scrutiny of regulations indicate, that the government under the old clause 19 does not have the power to implement a user fee or cost recovery mandate on the marine industry. In particular, the documentation provided by the Maritime Chamber of Commerce suggests that unless the fee is applied to a specific user, whether it is an individual or a corporation, at the request of that user or corporation, then legally the government cannot use the Financial Administration Act to levy cost recovery measures on the marine industry.

Throughout the debate at report stage and third reading, whenever we get to that, my colleagues and I will be outlining the impact of this legislation and the cost-recovery policy of this government, that is slowly working its way through the bureaucracy to the minister's desk, to indicate why it cannot go forward.

We have seen a major shift in transport where the marine industry has been declining because a variety of factors have pushed it into a weak position. For example, tonnages on the St. Lawrence Seaway have declined from 74 million tonnes in 1979 to 48 million tonnes in 1989, a drop of 35 per cent. Cargo volumes carried by the CSA fleet have dropped by 18 per cent from 94 million tonnes to 77 million tonnes during the same period.

The largest decreases have been in grain and iron ore where structural changes in the respective industries have been beyond the control of the marine industry. Government policy and shifting world markets are largely responsible for the drop in water-borne grain tonnage. The long decline in North American competitiveness in steel production has caused a major drop in the demand for iron ore.

Aside from a decline in markets, it should be noted that the inland marine mode itself faces heavy competitive pressures. Competition is being experienced from other modes, primarily rail, and other routings, Mississippi River, U.S. east coast, and Canadian west coast ports for grain only.

The result of forces at work on the marine mode is evident in the number of marine carriers which have had to sell, cease or consolidate operations in this increasingly uneconomic industry. The names of more than a dozen marine carriers have disappeared in recent times. In addition, existing marine carriers are consolidating bulk carrier operations as evidence of continuing pressure to reduce costs and provide for more efficient services.

In the past decade alone the number of actively trading ships in the CSA fleet has steadily declined from 176 in 1979 to 119 in 1989. According to the Canadian Lake Carriers' Association, the number of actively employed unionized seamen under their aegis has dropped from 3,592 in 1979 to 2,245 in 1990, a 38 per cent decrease.

This policy through this legislation will hit every region in this country. It will hit British Columbia in a very negative way. It will hit Ontario in a negative way. It will hit Quebec especially hard. It will also hit Atlantic Canada.

In doing so it will hit all of this country because without the ships to move grain, potash or coal from the prairies through the Great Lakes-St. Lawrence Seaway then the prairies will decline.

If we do not have ships moving then less steel is needed to build those ships. In fact, we have no ships being built; we have not had ships built for a number of years because of the policies of this government.

In spite of the last-minute tinkering by the government this particular aspect of the legislation is unacceptable. It is unacceptable to all of us who represent marine communities, who represent ports, who recognize the value of the marine industry in Canada. It cannot afford one more cent being added to its cost of operation.

What this government should be doing, instead of its cost-recovery measures, instead of this particular clause, is what the St. Lawrence Seaway Authority has been doing, developing lower incentive tolls to bring more products through the system so that more people can work, more people can benefit, and the country as a whole can benefit.

I urge the government to agree to entirely drop this particular clause, clause 6, amending section 19, so that the rest of the bill can go forward and this particular clause can be sent back to where it belongs and never seen again.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): Before recognizing the next speaker I am in a position to say that, after taking under advisement the opinion expressed by the hon. member for Gander—Grand Falls about the motion introduced by the hon. member for Cariboo—Chilcotin and after due consideration, the Chair still believes that the two amendment motions presented by the Parliamentary Secretary to the Minister of State (Finance) are in order. Resuming debate. The hon. member for York West.

• (1710)

[*English*]

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to rise and speak at report stage of Bill C-91, which essentially encourages, through clause 6, the essence of cost recovery and generation of greater amounts of revenue for the federal government. Despite the amendments proposed by the parliamentary secretary, my party and this caucus have a great deal of concern with clause 6. We believe that clause 6 should be stricken from Bill C-91.

Clause 6 essentially says, on page 1990 of the bill, that the Governor in Council may, on the recommendation of the Treasury Board, (a) by regulation prescribe the fees or charges to be paid for a service or the use of a facility; and (b) authorize the appropriate minister to prescribe by order those fees or charges.

There have been a number of members who have alluded to the complications and the ramifications that this bill, particularly clause 6, would have on the shipping industry. The dramatic effects were in fact first discovered by representatives of the Great Lakes shipping industry.

In essence, it could mean an additional $25 million at the bare minimum in terms of additional charges being placed on a shipping and marine industry that, as has been mentioned, is hurting. It is hurting in all regions of the country, particularly in the province of Quebec. Rather than trying to create a greater sense of confidence, rather than trying to create incentives, rather than trying to create policies that are going to be a shot in the arm to this particular industry, passing on greater cost recovery services to that industry is a way of aggravating an already bad situation.

Representatives from that industry are looking to this Parliament, are looking to this government, for reassuring signals that the government understands the plight of that industry, understands the importance of not trying to make it more uncompetitive, because they are already facing a very difficult competitive situation .The shipping industry is down anywhere from 8 to 12 per cent in various parts of the region, and therefore it can least afford at this time any additional costs on doing business.

It is not the first time that we rise in our places to try to come to grips with this problem. As the transport critic, on November 5, I raised this very issue when we were discussing the Port Wardens Act as it affects the ports of Montreal and Quebec City. We talked about the possibility that this is another way of trying to raise $25 million from the users, who traditionally have used the facilities provided by the federal Government of Canada.

We also raised on November 20, 1990, the possible ramifications of extended user fees to our various airline companies, particularly the smaller regional services in regions such as Atlantic Canada that will be hit the hardest. The scheme is not only unfair but it is unproportional, so that the smaller airlines based in Atlantic Canada, for instance, will in fact be paying greater amounts of cost recovery fees than the larger airline services in central Canada. As well, airports in northern Ontario will be paying more, proportionately speaking, than airports in Toronto, such as Pearson International, and other regional airports.

On November 2, I asked the very questions that we raise today, of the Minister of Transport, giving him and his administration yet another chance to try to come to grips with the problem.

Despite the many representations that have been made by colleagues on my side and by my colleagues in the New Democratic Party we have, as our first order of business, a piece of legislation that shows no sensitivity to the many representations made in this Chamber.

In addition, obviously the various interest groups have brought to bear their frustrations. Norman Hall, president of the Canadian Ship Owners' Association, in briefs and in submissions to the government, has made its position crystal clear on the ramifications that clause 6 would have on its industry. Mr. Peter Smith from the Chamber of the Maritime Commerce, in a lengthy and well outlined exposé of the shipping industry, has also come to the same conclusion. Yet, as I mentioned moments ago, we are still trying to make the government understand the ailments of the shipping industry as one industry that would be impacted by the larger amount of user fees.

When we talk about user fees, we are talking about the greater movement, once again, to privatize. When we look at the transportation network in this country we have the privatization of Air Canada, we have the gutting of VIA Rail, we have the whole movement of deregulation that was supposed to be a Messiah for the country and for the travelling public and it has been the exact opposite. We have the privatization of Terminal 3 where the builder did his job. The builder designed a class operation in Terminal 3, but the jury is still out on what kind of job the government did because it is clouded in secrecy. Canadians do not know what deal was struck between the developer and the government.

So you cannot look at C-91 in isolation. Put together with the other aspects that have been part of the government's agenda it demonstrates a greater move to privatize, a greater move to deregulate and a greater move for the federal government, through Transport Canada, to divest itself, in one way or another, from its responsibilities and the infrastructure that has been created for many a year.

Our party will not stand idly by and watch the disintegration and removal of the federal government from this national infrastructure. While the world is changing before us, while the federal government needs to be flexible considering the political situation with regard to the Constitution; we also have to keep in mind the importance that transportation plays not only in terms of jobs, economic wealth and spin-offs, but also in what it means to the continuation of this country. It is a large country. We know that when we travel from our ridings. Some of us know it better, certainly than members from Toronto, when we have to travel six and seven hours by plane. It is like going to Europe.

One of the forces, one of the networks, that has permitted this country to continue so successfully has been its transport infrastructure. I think, by the moves to VIA, by the moves to privatize Air Canada, by the moves to increase privatization, greater emphasis on user fees and greater pressure on the private firms which are having a tough time as it is, we are beginning to see the foundation begin to crumble.

I do not think we can see this bill in isolation because if we do we will—pardon the pun—miss the train, but it is in concert with the other moves of this government that we can see the big picture. The big picture is very troubling.

Therefore, I request our parliamentary secretary, who is the lead spokesperson for this bill on the government side, to rethink and to relook at clause 6. Our position would be to advocate a lifting of clause 6.

• (1720)

We had the minister, back in December, suggest to us that he was going to come back in February and give us his undertaking on what he is going to do with the whole question of user fees. We have yet to hear from the Minister of Transport. He has ushered no final position on the question of user fees. Therefore, let us not use the back door, as was mentioned already, to deal with an instance that should be dealt with clearly from a full, open perspective.

Therefore we are suggesting that this is an inappropriate way of dealing with a monumentally important issue.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, in addressing Bill C-91 and in particular the impact of clause 6 on our maritime industry and thus on our resource industries, I would just like to begin by saying that not only does this impose user fees on the transport marine industries, but it is also just another tax increase in addition to the 33 that have already been imposed by this government since its commencement.

One of the problems with the proposal before us is that it is open-ended. It is going to increase the costs of our maritime transport industry and thus our export cost for resources, just at a time when many of our exports

are in serious trouble as a result of many other aspects of this government's economic policies.

We have high energy costs, the costs of the high Canadian dollar, the memorandum of understanding on softwood lumber, and the grave difficulties that many of our coal shipments are having in the province of British Columbia. This latest thrust by the government, which is open-ended, will place us in an increasingly uncompetitive position with regard to these major resource exports.

Kootenay West—Revelstoke is an interior riding, a long way from the maritime industries some would say, but one thing has an effect on another. Within both the West Kootenay and the East Kootenay many of our mineral exports—from Cominco, for instance, lead and zinc, the largest smelter operation of its kind in the world, which is already undergoing a great many serious difficulties with regard to the effectiveness of its modernization program in which this government is a shareholder—are experiencing difficulties caused by this government's and the previous Liberal government's policies.

When it comes to the problems that the coal industry in the East Kootenay is having and the major difficulties that our softwood lumber industry is having all over Canada, but particularly in British Columbia where it is such a major part of our entire economy, more and more of our shipments of both exports and imports of these resource commodities are now being shipped through U.S. rather than Canadian ports due to both government inaction and bad government action.

We are afraid that the current proposal before us within this bill, and particularly with regard to clause 6, is going to complicate matters further at the worst possible time for those industries, the workers within them and the communities that rely upon them.

It is little more than a back door attempt to accomplish what clause 4 of Bill C-75 failed to do in 1985. Clearly it gives the government the legal ability to impose user fees on the marine industry and on our resource industries. If this attempt by the government does not fail, it will be yet another nail in the coffin of Canada's maritime industry and one more cost burden that will accelerate both the scrapping of existing ships and the consolidation of shipping companies which in turn will have very deleterious effects. These actions in turn will result in major job losses, major tax losses and increased costs to both UIC and welfare as employees within these basic resource industries are impacted severely.

As our earlier speaker, the member for Thunder Bay—Atikokan, mentioned, I want to deal with the impact on certain specific commodity and industry groups. There is some ground for believing that the first-year target of $25 million envisaged by the government might well be conservative on the basis of the charges proposed. Information provided by shippers, port and industrial interests suggest that a limited number of companies and commodities, not more than about 20 in all, could pay upwards of $22 million to the cost recovery program.

More important than this total, however, are the potential sectorial shifts resulting from the additional transportation costs for market sensitive commodities in situations where the commodity, the carrier, or the port, is head to head with its competition. This is particularly true where the final delivered price is separated by a matter of cents from competitors who either do not pay the charge or enjoy a mileage advantage under the scheme.

While it is beyond our ability to analyse every movement, the Canadian Shipowners Association has identified certain commodities and situations which Transport Canada may have overlooked.

Marine traffic volumes of these selected commodities are, in the case of coal, some 30.8 million metric tons of exports to be effected and some 17.7 million metric tons of imports; in forest products, 18.6 million metric tons of exports and imports, simply .5 million metric tons.

In the sector of mining and metals, preliminary estimates suggest that as much as one-third of the total year one target of 25 million would be recovered as a result of movements of mineral and metal products. Shippers are particularly concerned about market share effects since transportation is a substantial component of the delivered cost of many raw materials. Thus, what may appear to be minor increases in the delivered costs of a number of commodities can cause sudden shifts in the delicate balance governing the ability to penetrate competitive hinterlands, resulting in lost sales and markets particularly to foreign competition free of this burden.

In the area of coal, most exports of coal are from west coast ports while imports and domestic movements are in the east. Imports include large quantities of U.S. coal used for electricity generation and steel production in southern and northern Ontario shipped from U.S. Lake Erie ports such as Toledo, Cleveland and Sandusky. Some western Canadian coal is shipped from Thunder Bay.

Very important from a cost sensitive point of view, however, is the movement of U.S. Appalachian coal currently moved from Cleveland by Canadian lakers for transhipment to very large bulk carriers at Sept Iles proceeding to offshore markets. This move is particularly sensitive to transportation costs, since it is in direct competition with the port of Norfolk, Virginia, and will be jeopardized by the double imposition of the user charges.

Western Canadian producers of export coal are also highly concerned with the CCG cost recovery charges which they believe they will have to absorb. The large majority of these coal exports are metallurgical coals, the demand for which is flat or declining. The world market is highly competitive, and coal prices have dropped significantly.

Export coal producers located in British Columbia lost over $4.4 million in 1990. Export producers believe that their competitive position is already penalized by high Canadian rail diesel fuel taxes, high interest rates and an over-valued Canadian dollar, and that the new marine user charges will further impair their financial viability. This stresses what I was saying before, that this kind of action, open-ended as it is, comes at the worst possible time for the Canadian resource industry, particularly in western Canada.

Finally, in the matter of forest products, 39.8 million tonnes of forest products were transported by the marine mode in 1988. It has been estimated by the Canadian Pulp and Paper Association that the proposed cost recovery policy will cost the forest products industry approximately $4 million in additional marine shipping costs. Export shipments will absorb the majority of these additional costs.

In conclusion, additional transportation costs and declining traffic volumes could further disrupt transportation patterns and tonnages by upsetting the delicate competitive balance of key Canadian export commodities in U.S. and offshore markets.

The concerns of all these various interests must be rigorously addressed before any further steps are taken to implement the user charge scheme as currently proposed. That is why we take this position. We ask the government to rethink what it is doing before it drives one more nail in the coffin of Canada's resource export industries.

• (1730)

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, this bill presently before the House should be called the collection agency's bill. The reason for that is because, of course, the clauses all complement one another—clauses 4, 5, 6, 7. What it does is bring a new element into fees and moneys owed to the federal government and that is the collection agency, those people who hound usually poor people for moneys owed to this or that person, this bank or this or that agency.

Under this legislation two entire sections deal with collection agencies. It even defines what a collection agency is, in case one cannot pay the fee imposed or one owes money to a federal government department. They define them as follows: a collection agency means a person other than an employee of a department—and department is defined in the Financial Administration Act as really being a department of the government—who (a) carries on the business of collecting debts for other persons and is registered or licensed as a member of the legal profession or as a collector of debts in the province in which the person carries on the business of collecting debts.

There are two things wrong with the legislation, and these are serious things. These are outrageous things to put in an act of Parliament. One is, of course, that you are going to charge all of these new fees and, second, you put into place a system of employing collection agencies to do all the collecting for you.

I suppose the signal to be taken from this is that the Government of Canada is saying the business to get into these days is the collection agency business. If you are not a receiver, then the collection agency business is the place to be according to this legislation.

There is something wrong with that. Suppose it is not your fault that you owe the money. Sometimes it is our fault that Canadians owe money; it is not their fault they owe money. This Parliament passed a law in 1988 called the advance child tax credit act or some sort of legislation. Right now in Canada there are debts owed to the Government of Canada by widows whose husbands perhaps died in November or December, or debts that

are owed to the Government of Canada because of a fire that took place in December and burned down a home and the children had to be put into a foster home for the month of January.

We passed a law that said that advance child tax credit payments would be paid out to mothers in the month of November in the amount of $518, I think it is, initially, and if you have no child care expenses you get an additional $38 or something like that, but you do not qualify for it unless every single child claimed was in your care in the past January.

Now we have the situation across Canada of single parents and widows owing money to the Government of Canada under this legislation. This authorizes collection agencies to collect that money, so there is a danger that sometimes it is not your fault that you owe the money.

The second thing that is unfair about these fees is that where they are in place in the fishing and shipping industries, for example, the fees favour foreign nations. I will give you one example, because I have a total of only 10 minutes as I understand it.

I was looking at some figures on the weekend of the Japanese take for blue fin tuna and sharks in Canadian waters. They do not have a quota, but they actually took 170 tonnes of blue fin tuna and 53 tonnes of shark without a licence and without a quota.

The way it is done legally is this. Of course, they caught it as a by-catch, more than Newfoundlanders or Nova Scotians are allowed to catch. They caught it as a by-catch. It was perfectly legal. They only caught their by-catch, and then they got out. They did not catch the other species they were fishing for.

They do not pay a fee for their licences. No foreign nation in the world pays a fee for their licences when they go to pick them up in the office in St. John's, Newfoundland or Halifax, Nova Scotia. A Canadian cannot get a licence unless he pays a fee.

What happens to all these fees? Over the years, they send bills to these countries. We see examples today of France negotiating half the fee that it owes for fishing off the east coast of Canada.

It is not fair to have Canadians bearing the brunt of these new fees and a different system, a discriminatory system, against our Canadian fishermen in place that lets all those foreign nations off the hook for all those fees that are supposed to be paid. Because they are all foreign nations, it is really done through the Department of External Affairs and billed over a period of years.

Mr. Speaker, you might say with the Japanese fishing fleets that they are the sharks and we have become the bait in the fishing industry.

There are many other things wrong with the legislation. I do not have time to go into it. I wish I did because if I did perhaps government members would vote against this bill.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, it is a pleasure for me to participate in the debate this afternoon. The debate is rather interesting but somewhat old theme in this House since the arrival of the Conservative government in 1984.

What we are looking at today is yet another form of taxation on the people of Canada and the kinds of taxations that have occurred on the people of Canada. The public is absolutely outraged at this government. It is completely outraged.

It was expressed in an interesting way just early in the year when somebody pointed out that the present government is enjoying the confidence of about 12 per cent of Canadians. They suggested that to put that into perspective it was necessary to understand that 15 per cent still thought Elvis Presley was alive and that they had seen him in public more often than they had seen the Prime Minister.

Ultimately, the erosion of the confidence in this government is incredible. It is largely because of things like privatization, deregulation and cost recovery, the destruction of Canada's national infrastructure.

It is ironic that this government would have time after time taxed Canadians so heavily with not just income tax, but with charges such as these at every turnaround, driving up the cost of doing business in this country.

So often the cost of recovery comes out of the pockets least able to pay such as the goods and services tax, an enormously regressive tax. It is absolutely abhorrent to the vast majority of Canadians just as this proposal that affects the shipping industry will be today. The government forges ahead. The Prime Minister, at 12 per cent in

the polls, facing enormous opposition from every citizen in this country from coast to coast, except that stalwart 12 per cent, said: "Never mind, I know what is best for Canadians and I am going to do it no matter what they think about it".

• (1740)

In reality what has happened is that the Prime Minister neither knows what is best for Canadians nor enjoys any of the confidence in this country.

One of the things that is so catastrophic for Canadians is that this Prime Minister, in whom Canadians have no confidence whatsoever, is the person who is going to restructure Canada, who proposes new constitutional forums that are going to, by the look of it, decentralize this country, devolve Canadian federal government powers to the provinces and essentially Balkanize this nation. You have to ask why. Why the cost recovery, why the privatization, why the deregulation, why the devolving of powers to all the provinces and removing the strength of the federal government, the integrity of this nation?

One school of thought says that the trade agreement was not in fact a trade agreement, it was a proposal for economic union with the United States. The way that you would bring about an economic union with the United States is to not only negotiate the fundamental agreement, but also destroy the national infrastructure that holds this country together on an east–west basis. You would destroy the rail system, VIA Rail. You would sell off the national energy corporation that gives Canada a national energy policy from one end of this country to the other. You would sell that off, turn it back to one of the seven sisters or the equivalent.

You would in the process put in an open skies policy in which you allow American carriers to run the route from Vancouver to Toronto, and run it at a lower rate than Air Canada and Canadian could do it. You could destroy the national air transportation structure, completely destroy it, turn it over to American carriers, U.S. Air or American Airlines. That would destroy the east–west structure. The removal of the railroads, VIA Rail, would destroy the east–west structure that holds this country together.

You would then get rid of the communications system. You would begin by loading into the legislation something that destroyed the CBC, the national communications system that holds us together on an east–west basis.

Gradually, one step at a time, from 1984 through 1985, through 1986, through 1987, you would begin to undo this country, the infrastructure that holds the east–west nature of this country together against that enormous pressure from the south.

You would also put in things like foreign investment. You would remove any controls over foreign investment so that American firms could come into Canada and literally buy up Canadian firms. The Americans would not only be working with a destroyed infrastructure in this country, a destroyed national infrastructure, but they would also be dealing with a country whose economy was largely owned and controlled by foreign owners from the United States.

I have the greatest fear that one day the Prime Minister, in the not too distant future, still at 12 per cent in the polls, still behind those that believe Elvis Presley is alive, would come up and say: "Well, it is time to leave. I have achieved everything I set out to do".

It is interesting that the chairman of the finance committee, in a candid statement one day, said: "You give us two terms in here and nobody will ever put it together again". What an ominous statement for Canadians.

It would be interesting to know that down the road when this Prime Minister is not able to garner any more than 12 per cent or 15 per cent in the polls and must leave, the Conservatives will put another leader in place. With the pig-headed determination to pursue such wrong-headed policies, policies that are completely opposed by Canadians, the only answer that he could give Canadians as he leaves office to be replaced by someone else that the Conservatives will use to try and get another victory would be that "I have achieved everything that I had set out to do". This is the systematic destruction of Canada: privatization, deregulation, cost recovery. Just a couple of quick, beautiful examples. Deregulation is an opportunity to let as many carriers get into an area and service an area as they possibly can and do it as cheaply as they possibly can. The Nanaimo–Vancouver run for aircraft is a beautiful example. They moved from two to five carriers. Had the

carriers pooled their money, built a bridge and put a toll on it, they would have made more money. It would have been cheaper for them in the long run.

When the five of them were involved the fare from Vancouver to Nanaimo was $17. The lowest fare that you could travel that distance was $17. Of course they went broke. Of course they had serious accidents, fatal accidents. Finally the two main carriers took over and now it is $96.50 to travel from Vancouver to Nanaimo, a completely outrageous monopolistic price.

I notice my time is running short. Let me give an example of cost recovery. The northern end of Vancouver Island, an area with a precarious economy, is working hard to build that economy and give a decent living to its inhabitants. National Revenue decided it was going to remove the customs office. What happens now is that in order to clear customs, to move in and out of that economy in the northern end of Vancouver Island, you must go somewhere else. If you go somewhere else and it is more expensive because of what the government has done in cost recovery, you might as well stay somewhere else. Gradually the economy on northern Vancouver Island begins to implode, to shrink and the homes and lives of people there are negatively affected.

They blame directly this government's wrong-headed cost recovery procedures, the same wrong-headed procedures that are in this bill before us today.

Hopefully it will withdraw the open skies policy. Hopefully it will withdraw this provision of the bill and begin to take some responsibility to provide a national infrastructure as a national responsibility so that local and regional economies can grow with that kind of sheltering and assistance.

Hon. William Rompkey (Labrador): Mr. Speaker, I want to draw to the attention of the House the effect of this legislation on communities in northern Canada, such as my own in Labrador. I am wondering if the House and the government have an appreciation of exactly what this will mean for northern communities. I am talking about resource based communities where there are no alternatives to the extraction of iron ore or to the catching of fish. I am talking about single industry towns which have no alternative in terms of job creation for those people who live and who have lived there for 20 or 30 years.

When I talk about my own riding I could just as easily be talking about communities in northern Quebec, northern Ontario, northern British Columbia, the Yukon or the Northwest Territories. Those small isolated northern communities are resource based, have no alternatives and depend wholly and solely on those resource industries. They are also isolated for a great part of the year and depend on either sea transportation in the summertime to get goods in and to move goods out or depend on air transportation in the wintertime to do the same things for passengers and freight and commodities. Those are the communities that are going to be negatively affected by this legislation.

It is worth while noting that those communities, isolated, vulnerable, resource based with no alternatives already have imposed upon them airport user fees, whereby people travelling by air—there are no roads and there are no ships in the wintertime—must travel by aircraft, already have to pay on top of their high cost of transportation an airport fee. They will now have to pay GST on the cost of goods and services moved into those communities.

These communities already have the highest cost in Canada in terms of fuel. A litre of gasoline in my riding, for example, at this moment is close to $1. Does anybody else in Canada pay $1 a litre for gasoline? That is the kind of costs I am talking about. That is the kind of costs that companies and individuals have to pay that live in the north. Yet this government is now thinking about imposing a further cost.

We are not talking about handouts here. What we are talking about is the imposition of a further obstacle to survival on companies and individuals who live in northern Canada.

• (1750)

I am talking about the imposition of additional user fees on small airlines, for example. I am talking about the imposition of possible user fees on ice-breakers, where a long liner is caught in the ice in the springtime and an ice-breaker has to be sent in to set that boat free. That fisherman in that boat, who is already suffering

from a decline in the fish stocks off the Atlantic coast, could now be charged an additional user fee for freeing his boat from the ice.

What about search and rescue? Are we going to be charged now for search and rescue? If your life is on the line, if you are lost in a storm at sea, or if you are caught in the ice in the spring, would you have to pay a user fee now so that your life can be saved and your boat preserved?

This is the kind of cost that is going to drive companies and individuals in the north out of existence altogether.

I want to talk in particular about the iron ore industry. When I talk about the Iron Ore Company of Canada and Wabush Mines, I could just as easily be talking about mining companies in northern Quebec, northern Ontario, the Yukon, or the Northwest Territories, because all of those are going to have to depend on transportation to ship their product to market.

The Prime Minister will understand that because at one time he was president of the Iron Ore Company of Canada, president at a time when it was going through a great deal of difficulty. That company has gone through that troubled time. It has cut its costs, it has had some lay-offs, and it is now competitive in the marketplace. But it is not making a great deal of money; it is barely surviving.

If there is going to be an added imposition, an added financial burden on that company, it is going to drive that company that the Prime Minister formerly headed completely out of existence, as it will with other mining companies.

I want to read into the record what Mr. Muloin, the general manager of Wabush Mines, has to say about the legislation in question. This could very easily be any other mining community in the north. He says:

> As you are aware, Transport Canada has resurrected the concept of user fees for the Marine Industry. This proposal will have a serious impact on the members of your riding.
>
> Under the proposed legislation, international (including USA) customers will be charged $0.12 per ton for the iron ore shipped from the Canadian iron ore mines while Canadian customers will be charged $0.06 per ton.
>
> This fee, if adopted, will increase the cost of Canadian iron ore products from the Quebec/Labrador area by over $4 million per year.
>
> Iron ore is an internationally traded commodity that is currently in oversupply. It is therefore critical for producers such as Wabush Mines to remain cost competitive if we are to continue to sell our product and to remain in business.
>
> This initiative by Transport Canada poses a serious threat to our ability to remain competitive and, as such, threatens the employment and living standards of the families that work in the Quebec/Labrador iron ore industry.
>
> I urge you to convey our objections to this proposal to your colleague, the Honourable Doug Lewis, the Minister of Transport.

I have done that today, Mr. Speaker, to the Minister of Transport and to the Government of Canada.

I want to read into the record as well a letter from Mr. Bill Kelly, who is the Mayor of Wabush. And I am sure he is supported by the Mayor of Labrador City, and I suspect that he is supported by the Mayor of Fairmont and those communities over the Quebec border that also have iron ore mines as well.

Here is what he says:

> We have been informed that Transport Canada is in the process of restructuring the concept of user fees for the Marine Industry.—
>
> Wabush Mines has been able to survive and remain competitive in the iron ore business because they are very cost conscious and efficient. The slightest increase in cost per ton could mean the difference between a successful operation and one which is closed.
>
> Wabush is a single industry town. Our existence depends on Wabush Mines being able to sell its product at competitive prices. To remain competitive and to reduce costs, Wabush Mines has reduced its workforce— We are very concerned that substantial increase in the cost per ton will result in more lay-offs or even a shutdown.
>
> The Quebec/Labrador area produces 90 percent of the iron ore in Canada. This fee, if adopted, will increase the cost of iron ore produced in our area by over $4,000,000.00.

We are not talking about hand-outs here. What the government is doing is imposing a financial burden on those companies which will make it impossible for them to survive, to make sure that they do not maintain or create jobs, but in fact lay off people and close those industries in northern Canada.

We are not talking about financial support or hand-outs. We are talking about a fair chance to survive. This government, which supports the private sector and says quite rightly that the private sector is the only way to create long-term jobs, has to get its house and head in

order, and stop imposing fees on isolated, vulnerable, northern communities that are going to be driven out of existence if this government has its way.

That is why clause 6 of this legislation must be defeated.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is a pleasure to stand today and say a few brief words about the bill that is before us, Bill C-91.

I would like to preface my remarks by saying that in British Columbia where I come from, particularly the riding of Okanagan—Similkameen—Merritt, the economy is based on agriculture as well as on forestry and to some extent on mining.

All of these things depend on the ability of the producers of these commodities to be able to ship their goods to the markets. Of course, being from British Columbia, the markets that we are looking at aside from the United States are the Pacific Rim markets.

Over the last number of years, we have seen major problems in the forest industry in particular, not only in British Columbia but throughout Canada.

In British Columbia of course, we have the free trade agreement, the Memorandum of Understanding between Canada and the United States that levied 15 per cent tariff on top of the price of the wood products that were being shipped into United States.

We have the artificially high Canadian dollar and artificially high interest rates. When the free trade debate was raging in 1987 and in 1988, the forest industry thought that perhaps as a result of this particular agreement they could have some benefit. It was contingent upon the dollar remaining low and interest rates remaining reasonable.

As history has shown us over the last couple of years, that has not happened. Interest rates have skyrocketed. The MOU came in. The forest industry has run into major problems, and this particular bill with the user pay feature in it for forest products is one more nail in the coffin.

In my province, this industry right now is in the throes of the recession and is having a hard time. As the recession goes world-wide, so goes the forest industry. If they cannot sell their products to the housing industry, then they have a lot of problems.

More and more the problem we are seeing is government hitting this particular industry while it is down. The forest industry is more than a housing industry. It includes, of course, the major part of pulp and paper. The policies of this government have not helped in that particular instance. In fact, it has hurt one of our major producers in the province of British Columbia. By introducing cost recovery, we find more and more that this is what is happening to our industry and part of the reason why we are seeing major lay-offs in the province of British Columbia.

• (1800)

These lay-offs are having a major effect on access to unemployment insurance. Instead of taking two to three weeks to get their unemployment insurance benefits now these people are looking at six, eight, and sometimes 12 weeks in order to get those benefits. That, I believe, is a direct consequence of what this government's policies are, one more thing that is stuck in the way of increasing the ability of the forest industry as well as mining, whether it be in metallurgical mining, coal mining, or whatever, it is an extra cost that is being added. It is hitting regionally at areas like British Columbia, northern Ontario, and the maritimes.

These industries have to be assisted with those shipping costs to ensure that they are able to continue to produce and ship to export markets, to markets overseas, to ensure that we have increased industry, employment within our areas and the ability to add to the marketplace.

What I see in this also is some of the tendency of this government toward a major privatization. The user-fee aspect in itself perhaps is not that bad. But when you take it and add it to all of the other things of privatization, whether it be privatization of Petro-Canada, Air Canada, or whether the thrust will be toward the privatization of our rural post offices and the post office sector as a whole, it is a whole malaise that is going across the country through the actions of this government. This is simply one other plank, if you will, in the deck of privatization; it is privatization simply for the sake of privatization itself instead of a move toward something that will assist or help the people of Canada and the people of my riding.

One of the former speakers in this debate talked about the difficulty and the overflow in this area upon the air industry. I am sure that you know, the problems that the transportation industry has, especially with the addition of the goods and services tax, the actual triple taxation that the transport area is running into. They pay their taxation either at airports or at the marine facilities. They pay their taxation on their fuels. Now with the user fee they will be paying a fourth tax, aside from the goods and service tax added to the problem that they have got.

It seems that we are more and more getting to the area where we are pushing down those that in fact need some assistance. In Canada, with the long distances and transportation costs many of our industries need that assistance. Throughout the history of Canada we have always ensured that assistance was taken into consideration for the the development of mining coal, forestry, or whatever in a particular region.

We are seeing the abandonment of that principle in Canada. We are seeing the abandonment of the idea of Canada as a single united entity.

All of these things pick away at that particular part of the Canadian unity. When this government starts to realize and recognize the importance of all of this to the whole network, instead of compartmentalizing and beating down all of these individual sections, it may then have an idea of what we can do to unite this country.

The Acting Speaker (Mr. DeBlois): The question is on the amendment of Mr. Worthy. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the amendment carried on division.

Is it the pleasure of the House to adopt motion No. 1, as amended?

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion, as amended, carried on division.

The next question is on the amendment of Mr. Worthy to Motion No. 2.

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the amendment carried on division.

Amendment of Mr. Worthy agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 2, as amended. Is it the pleasure of the House to adopt the motion, as amended?

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion, as amended, carried on division.

Motion No. 2, as amended, agreed to.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Motion no 3 cannot be voted on until Motions 1 and 2 have been passed.

[*English*]

Hon. Tom Hockin (for the President of the Treasury Board) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion agreed to on division.

Mr. Cooper: Mr. Speaker, I am wondering if we have consent to proceed with third reading of Bill C-91 at this particular time?

Mr. Dingwall: Mr. Speaker, the members of my party would give unanimous consent to proceed with third reading of Bill C-91.

Mr. Angus: Mr. Speaker, as long as clause 6 is in the bill, we will not give consent to proceed to third reading of this bill.

• (1810)

[*Translation*]

The Acting Speaker (Mr. DeBlois): When shall Bill C-93 be read the third time?

Some hon. members: At the next sitting of the House.

The Acting Speaker (Mr. DeBlois): At the next sitting of the House.

* * *

[*English*]

BRETTON WOODS AND RELATED AGREEMENTS ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-93, an act to amend the Bretton Woods and Related Agreements Act, as reported (without amendment) from a legislative committee.

The Acting Speaker (Mr. DeBlois): There is one report stage motion set down on the Notice Paper, an amendment to Bill C-93, an act to amend the Bretton Woods and Related Agreements Act in the name of the hon. member for Essex—Windsor.

[*Translation*]

The motion is admissible. The debate is now on motion No. 1.

[*English*]

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 1

That Bill C-93 be amended by adding immediately after line 16 at page 5 the following clause:

"6. The said Act is further amended by adding thereto the following section:

(14) The Minister of Finance shall cause to be laid before Parliament the communiques issued by the Interim Committee of the International Monetary Fund and the Development Committee of the International Bank for Reconstruction and Development and the International Monetary Fund."

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, there has been some confusion with respect to precisely what could be tabled before the House and precisely when it could be tabled before the House. I wonder, therefore, if I could have unanimous consent to change a brief section of this amendment which says at the moment:

The Minister of Finance shall cause to be laid before Parliament every six months reports of the meetings of the Interim Committee—

If we could replace that with:

The Minister of Finance shall cause to be laid before Parliament the communiques issued by—

That to replace the every six months reports of the meetings held.

I wonder if I could have unanimous consent to that small change.

The Acting Speaker (Mr. DeBlois): On a point of order.

Mr. Manley: I do not have any great problem with the substance of what is being proposed by way of amendment.

I would like to know from the Chair whether the intention is to accept this as a precedent that a bill may be amended to amend a section of the act that is not being amended in the bill which is what is being accomplished with this amendment.

Mr. Cooper: Mr. Speaker, my friend makes a valuable point and I think it is important that we understand that from time to time the House does do a variety of things by consent and that is not in any way to establish a precedent. I appreciate the point he has made is a valid one and we would certainly support his concerns, but in this this particular case we are moving by consent and, therefore, do not expect it to be in any way a precedent.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair takes under advisement the comments from the hon. members. The motion has already been deemed admissible, but it is not inappropriate to take another look at it. Meanwhile, the debate may resume.

[*English*]

Mr. Langdon: Mr. Speaker, what we have been concerned about with respect to this bill is that the bill itself is an effort to increase the capacity of the International Monetary Fund to apply sanctions against less developed countries that run into problems with the IMF.

It is an interesting point which we can take up in the third reading debate whether it makes sense to move in this direction or not. But if we are to move in this direction of increased sanctions which the IMF is able to make use of *vis-à-vis* less developed countries, it seems to us in this party very important that there should be regular reports to the House of Commons from the International Monetary Fund and the World Bank. This would make it possible for the House to be aware of how these powers, in which we would acquiesce through this bill, are being used.

This amendment would include, within the proposed legislation itself, a commitment that whenever there was a meeting of the Interim Committee of the International Monetary Fund or the Development Committee of the International Bank for Reconstruction and Development, the communiqués emerging from those particular meetings would be laid before Parliament. That would make it possible for members of Parliament to be fully apprised of the way in which these new powers, which we are granting to the IMF, are being used.

I would just like to briefly explain the changes, for which I have asked for unanimous consent, which I have been given, from the House to put forward. It is not clear that within the usual scheduling of the IMF and the World Bank every six months is a figure which will be operative, that it may be five months on one occasion or seven months on another occasion until a meeting takes place of the Interim Committee and the Development Committee. That is the reason for taking out the every six months. The replacement of reports by communiqués is simply to make it clearer that the documents which should be laid before the Parliament of Canada are the documents which emerge from the Interim Committee and from the Development Committee of the World Bank and the IMF.

• (1820)

As I say, I think it is important to establish the principle that these regular reporting procedures be established clearly in legislation. It then becomes the responsibility of the government to see to it that those reporting responsibilities are in fact met, and it becomes possible for members of Parliament to respond to those communiqués when they reach the House of Commons.

Mr. John Manley (Ottawa South): Mr. Speaker, although I remain confused about whether we are establishing a precedent here or whether it is still under reserve, I did have a couple of comments to make on the substance of the amendment itself. These relate in part to the—

The Acting Speaker (Mr. DeBlois): One moment, please.

[*Translation*]

Before you speak to the merits of the motion, I would just like, considering your earlier comments, to make it very clear that the amendment moved by the member for Essex—Windsor relates to the amendments brought by Bill C-93 and that it is admissible. Therefore, it is not a new element in the sense that you mentioned earlier.

Consequently, the House is justified to consider the proposed motion moved by the member for Essex—Windsor.

[*English*]

The hon. member for Ottawa South has the floor.

Mr. Manley: Mr. Speaker, I appreciate the clarification because the citations in Beauchesne seem to imply that it would not be in order, so I presume we have established a precedent in this case.

I would first of all like to express minor concerns about the references in the amendment. When you review the Bretton Woods and Related Agreements Act and when you review the schedules to that act, the Bretton Woods agreements, it is difficult to understand in the context of the legislation itself what is the interim committee.

The interim committee exists and we are all aware of it, but as a legal or statutory entity I do not believe that it exists in Canadian law, either in the act or in the schedule. So I am concerned about the clarity of the drafting.

Furthermore, the reference to meetings of the interim committee, of the IMF and of the World Bank leave open some question as to what meetings in particular are being referred to.

Those being my concerns about the drafting of this provision, I would like to say that the substance of it, its intent to make the participation of the Government of Canada in activities of the International Monetary Fund in particular more accountable to the Parliament of Canada, is a very desirable objective. We have found over the years that in many ways the objectives, particu-

larly of Third World development, of realignment of Third World debt, have been frustrated by policies pursued by the IMF. Many times these policies are carried out without the direct knowledge of the Parliament of Canada.

To the extent that the amendment of the member for Essex—Windsor intends to present before the Parliament of Canada the substance of what is being discussed and debated and decided in meetings of the IMF and the World Bank, then I am fully in support of that.

I think that our party would like to see an increase in the accountability and the reports delivered by the minister so that we can be fully informed, so that the Canadian public and those in the media who report on matters of Third World development can be fully informed as to the status of our government's participation and of the decisions that are being made which in many ways are so important.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 1 (Mr. Langdon) agreed to.

Hon. Tom Hockin (for the Minister of Finance) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Worthy: Mr. Speaker, I believe you will find that there is a feeling in the House that we should deal with the bill right now.

Mr. Hockin (for Mr. Wilson, Etobicoke Centre) moved that the bill be read the third time and passed.

Mr. Langdon: Mr. Speaker, I would like to make just a few comments on third reading of this piece of legislation.

I think it is very important that we recognize that this is a bill which does two things. It is a bill which effectively increases the amount of—

Mr. Dingwall: I rise on a point of order, Mr. Speaker. I am sure there would be a disposition within the House, in view of the courtesies which have been extended to the hon. member, particularly by this side and by individuals opposite, that he would give the floor to my colleague from Ottawa South who is the official spokesperson for the opposition on this particular matter. I am sure the hon. member would want to concur with that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Does the member for Essex—Windsor agree to yield to the member for Ottawa—South?

[*English*]

Mr. Langdon: Mr. Speaker, in the interest of peace, harmony, and good feeling, if not to reflect my view of a certain party, I shall be very pleased to allow my esteemed colleague from Ottawa South to speak.

The Acting Speaker (Mr. DeBlois): The Speaker welcomes the collaboration.

Mr. John Manley (Ottawa South): I must say, Mr. Speaker, that after two years I still continue to be mystified by procedure here. I am very grateful to the member for Essex—Windsor for granting me the floor. Perhaps the mystery will resolve itself one day if I stay here long enough.

An hon. member: There is little chance of that.

• (1830)

Mr. Manley: Somebody says there is little chance of that.

What I would like to say concerning Bill C-93 is that this bill provides us with an excellent opportunity to review some of the concerns that many of us have had about the International Monetary Fund and how it has impacted upon Third World development and problems.

That being said, it should be remembered that the issues raised by this piece of legislation reflect only two fairly minor amendments to the method by which the IMF functions. First of all, it increases the quotas which countries are obliged to hold on deposit with the IMF. Second, it introduces a new mechanism of discipline for those countries that are in default with the IMF, namely the suspension of voting privileges.

With respect to the first of these proposals, I think we find that there is general and perhaps entire support, with the possible exception of the United States, for increasing the quotas contributed to the International Monetary Fund.

These quotas which will not take effect unless they have been approved by an 85 per cent voting majority of member countries require that member nations increase their contribution to the fund.

In hearing this, I think all Canadians become a little concerned that this is yet another expenditure of government assets that is ultimately going to cost us all as taxpayers.

In supporting this bill, it is on the assurance by the government and by government officials that the method by which these quotas are achieved is the placing on deposit of assets with the IMF that then reflect the fact that these are assets of the Government of Canada.

In other words, we are assured that these increased quotas are not an expenditure item for the Government of Canada. They do not cost the taxpayer anything is what we are told.

Accepting that, I would note the concern that we have about the suspension of voting privileges for defaulting nations. It is true, as we said in the earlier debate on this—and I had the occasion to debate at that time this issue—that the IMF occasionally needs a workable method of seeking to enforce payment of obligations to it.

Until now that method has been the right to suspend member countries from participation in the fund, a somewhat draconian measure, one which has never been taken.

The suspension of voting privileges is much more usable as a disciplinary measure because the consequences are somewhat less grave. To do so, however, essentially silences the voices of the countries that are weakest and that are most in need of the financial assistance provided by the fund.

To move in this way raises for many of us—I know for the member for Essex—Windsor as well—the concern that in using its impressive powers as a funder of international business transactions the IMF will further fail to hear in many cases the voices of those countries that are most in need of assistance.

We support this bill. I think the way to explain why, however, is best expressed in the words that were presented to us by Roy Culpeper of the North–South Institute when he appeared before the legislative committee on Bill C–93.

He referred to the concerns of many MPs about the response of the government to the report of the Standing Committee on External Affairs and International Trade which was tabled somewhat earlier.

Although these concerns are there and although other organizations, including the North–South Institute, raised many concerns in appearing before the Standing Committee on External Affairs and International Trade as it completed its study, Mr. Culpeper advised us to go ahead with the bill. He stated:

> I do not believe that Bill C–93 provides the best vehicle to carry forward this debate. In my view, Bill C–93 should be enacted so that Canada can give its support to help make the quota increase effective as early as possible. The IMF is not, to be sure, without its faults or without need of improvement. But this legislation does not provide adequate opportunity for a thorough and much–needed review of the IMF and for political input from our legislators and the public. The point I want to make is that Canada, probably along with most other member countries, lacks an adequate review process to ensure the accountability of this supremely important international institution to the public at large.

The point is that we have a bill which achieves certain objectives that the North–South Institute has endorsed but which fails to raise, in essence, the important issues of ongoing accountability of the IMF and concern for what is happening with respect to Third World development.

What we find is that many of the policies pursued by the IMF, well intentioned, structural adjustment policies, have not been terribly successful in improving the state of Third World countries. The result of IMF interference in the performance of some Third World countries, together with the increasing debt crisis in the

Third World, is that IMF policies have in some cases actually hurt the countries they were intended to help.

We typically had in the IMF medicine prescribed for ailing countries prescriptions for cuts in subsidies to the poor, devaluations, deregulation, and the intention of trying to create trade surpluses which had the effect of eliminating agricultural production that sustained the population and provided adequate food for them.

After nearly a decade of IMF adjustment, GNP per capita in the Third World, I am told, is 6 per cent lower than it was 10 years ago. Even on strict economic grounds IMF policies have often seemed to be unsuccessful.

We have these concerns. We have them in Canada and in other countries that have participated in support of the IMF. They are concerns that need to be brought forward, both in Canada and elsewhere, in debate as we approach, we hope, the imminent end of a war in the Persian Gulf. We concern ourselves with the frequent interpretation in Third World countries that this in fact is a war of the rich nations against the poor, that it is a war between the north and the south, interpretations that I do not agree with but which are there in these emerging countries. We have to face in that context what our population perceives as generous aid to Third World countries, with the realization that the flow of wealth continues to be not from north to south but the net transfer of wealth in the world today is from south to north.

• (1840)

While many of us, Canada and other countries, maintain a pretext of helping the developing countries of the Third World, the reality is that through our policies, through our debt structure, we continue to draw wealth away from Third World countries. We continue in many cases to draw their people away. We draw their best and their brightest through immigration policies that award points for skills and education. We find places in Canada for the very best of the Third World, but not for the very poorest or the very weakest.

In this context, I think all of us as Canadians have to realize that there surely will come a day of reckoning when the poverty, the hunger, the deprivation, the famine, the problems which exist that seem insurmountable in the southern hemisphere will come back to us for solution. If we do not begin to work on the basis of solutions today, the problems will be even more insurmountable tomorrow.

Therefore, as I said earlier, I support the amendment of the hon. member for Essex—Windsor that has been accepted in terms of its content. I hope that we will see increasingly the attention of parliamentarians in Canada and in other developed countries to the issues related to how we solve on a long-term basis the problems of the developing world. They are problems which we must recognize that we share as Canadians, and I suspect that members of the governing party are less likely to share this than some of us. But I think Canadians by and large do recognize that within Canada we must seek to find ways to ensure that all parts of the country share in some measure in the prosperity of our land.

It was one of the basic principles upon which Canada has expanded its Confederation over the years, one that we need to be talking more about today. Surely the same principle needs to apply on a global basis. Surely we need to begin to recognize that we cannot forever deny citizens of other countries a share in the wealth that we enjoy. It is not ours by right of any goodness that is inherent to ourselves. The responsibility lies on us as trustees of enormous wealth to ensure that poverty, disease and deprivation does not destroy the hope and the goodwill of people in whatever nation they happen to have been born.

Therefore, we are looking at a technical bill in some ways, but a bill which has underlying it matters of great importance. It is important now that parliamentarians renew their efforts to address some of these issues.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, as I was just starting to say before we decided to change course a little bit, this is a bill I would like to say just a very few things about.

First, this bill does accomplish an important purpose. It is one step in the agreement of the number of countries that will be necessary to increase the total financial resources of the International Monetary Fund to make it possible for that fund to lend more money to developing countries that are facing serious debt crises. We in this party support that goal very much.

Unfortunately, the bill also has within it, apparently under the influence especially of American representatives to the IMF, a number of increased sanctions which can be applied against developing countries if they find themselves in arrears to the IMF.

This becomes possible if this bill is accepted by this Parliament and, in turn, by a number of other Parliaments throughout the world. If that happens, it will be possible for the first time for the International Monetary Fund to actually suspend voting rights for member countries of the IMF.

Prior to this, it has been possible if the IMF becomes so concerned about a country which is in arrears to expel that country from the IMF, a solution which is so Draconian that it has generally not been adopted by the IMF.

This particular piece of legislation, in concert with a number of other countries, will make it possible to have the way of getting at Third World countries that are in arrears to the IMF without having to kick them out of the organization entirely.

To suspend the voting rights of a member within the IMF is a penalty which I certainly hope will not be applied except in the most serious and in the most irresponsible of cases in which a country blatantly refuses to make any efforts whatsoever to put itself into a position of starting to deal with some of its IMF arrears. This bill does make it possible to take such action regardless of what the circumstances are of the arrears which exist.

This is, as the previous speaker noted, a technical bill. I want to just bring it down to earth, if I can, for members of the House and to tell them a little bit about one of the countries that I worked quite closely with in Africa when I worked for the International Development Research Centre before becoming a member of Parliament.

That country is Zambia. It is a country which got itself into serious debt problems not because of anything it did itself, but because of a catastrophic drop in the price of copper. Zambia, in fact, had been a country which had developed fairly sophisticated methods of planning for the future, five-year plans which were aimed to program out quite carefully the new development projects which the country wanted to carry forward.

It was also a country which had recognized that to carry this kind of development forward, it had to put into effect a very strong support policy for individualized agriculture in the country. In fact, one of the things which the IDRC worked on was support for some of these projects with peasant agriculture in Zambia.

• (1850)

I could go on in more detail about Zambia, but I will spare the House that. This is a country which has done a great deal to try to deal with its economic problems. Despite that, because of the tremendous decrease in the price of copper, it found that loans it had taken out for development projects, which looked perfectly viable at the time it took out those loans, suddenly became next to impossible to pay back because there were no longer the export revenues from copper which had seemed to be there in the past.

The consequence for the people of Zambia was that in order to try to pay off some of these loans, it became necessary for the Government of Zambia to massively reduce social programs, to cut back on educational expenditures, on health care, and to significantly reduce the wages of copper workers, for instance, producing the exports of the country.

In short, life for the average person in Zambia became very much harder as a consequence of having to pay back these loans which had been incurred in the past.

We recognize that in the case of many of our aid loans to developing countries, when circumstances like that come up, it makes sense to forgive those loans, to let the country move ahead and therefore to be able to purchase goods from us and purchase goods from other countries in the world.

In the case of commercial loans, however, that is not possible. In the case of bank loans it is not possible. In the case of IMF loans it is generally not something which the IMF permits. Unfortunately, that results in considerable pain and suffering for the people in the country involved.

Some of these countries affected probably have been guilty of irresponsible policies which are very difficult to justify. Panama, for instance, is a country which was not careful in the kinds of development projects it put into effect.

One might make the same case for Cambodia and Peru and, perhaps, for a number of other countries such as Zambia, Sudan, Sierra Leone and Costa Rica. These are countries which have generally tried to follow sensible development patterns and yet have found themselves, because of changes in commodity prices—coffee in the case of Costa Rica—unable to pay their debt. I have mentioned copper in the case of Zambia; cocoa in the case of Sierra Leone. These countries faced problems, not because of anything they had or had not done, but because of changes in the world economy.

Mr. Speaker, our hope would be that the IMF will approach such countries with a sense of understanding and a sense of care for the human costs which a tough application of the kinds of policies that lie behind the increased sanctions in this act represent.

I would hope that such a sensitive approach will be taken by the IMF. It is on that basis that we are prepared to see this legislation go forward.

We are not, however, prepared to support this legislation. Despite the useful steps in increasing the amount of money which will be available for Third World countries, the establishment of these new sanctions against such Third World countries represents a negative step which we feel is something the IMF should not be taking and which we are not prepared to support as a party.

Mr. Dave Worthy (Parliamentary Secretary to Minister of State (Privatization and Regulatory Affairs) and Minister of State (Finance)): Mr. Speaker, this bill has been in front of the House since prior to Christmas. It has received good debate. It has been an example of legislation where there has been a lot of co-operation between the various parties in committee and in the House, and for that I would like to thank the members opposite for their assistance in passing this legislation.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to, bill read the third time and passed.

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Thunder Bay—Atikokan.

Mr. Angus: Mr. Speaker, it would appear that we have made some decent progress today, with one government motion passed, one bill through report stage and a second bill through report stage and third reading. I wonder if the Parliamentary Secretary to the Government House Leader could indicate what is on the agenda for tomorrow.

Mr. Cooper: Mr. Speaker, I would like to thank my hon. friend for his point of order.

We have indeed had a good day today, and it establishes a wonderful precedent. Therefore, tomorrow, we expect that we will complete third reading of Bill C-91. We want to complete the debate on Bill C-26 and, after we have done that, at 4.30 we should be able to complete the debate on the budget.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I rise this evening to expand further on the question I asked the Minister of Fisheries and Oceans on December 17, 1990 regarding the individual transferable quota system his department planned to implement for Scotia-Fundy. I say "planned" because today it is being implemented for the Scotia-Fundy inshore fishery.

In answer to my question, the minister said on that day that the draggermen of that area have been asking for it, have been asking for individual transferable quotas.

Mr. Speaker, I do not know of any dragger fishermen in the area, small or large dragger fishermen, C-1s or C-2s, who have actually asked for an individual transferable quota. And I will speak more on that. They may have asked for a viable quota, at least a quota that would give them their livelihood.

Adjournment Debate

• (1900)

The minister, in my opinion, has not had the decency, the courage or the political will to meet with the fishermen in Nova Scotia, particularly the inshore fishermen, whether in Ottawa or in Nova Scotia. He will always meet with big company officials who come to Ottawa, and I do not want to question why he meets with the larger companies and not the many hundreds of people who are connected with the inshore fishery.

As well, I do not know what his officials have been telling him, but judging from my meetings and the mail, they certainly did not bother to consult with the inshore fishermen of Nova Scotia. The minister may have the Hâché task force that he can refer to, but Mr. Hâché and his officials did not do the two important things that the fishermen were looking for when they went around: one, evaluating the present stocks before going ahead with their idea of cutting back in the inshore without looking at the actual stock evaluation in those waters; and, two, providing a viable quota. I stress the word viable because this minister is not doing that.

At every meeting I attended and with every letter I received on the subject, it is clear to me that the Scotia-Fundy inshore wants no part of an individual transferable quota, nor any part of the current management plan. You just have to look at the court cases that have been attempted. The dockside grading that the minister wants to implement as it is being looked at in Newfoundland and will come into play after the unemployment scheme for training these people runs out in August, where the individual fishermen, if there are any left, will have to pay for a scheme, that this minister allows, where the fishermen has to report six hours before he can dock and he must report at least two out of the six before he can land, storm or no storm.

It is ridiculous. The minister has forgotten that the markets will not take a good quality fish, that they have individual quotas, that they can report what they have caught, but to continue this system of forcing fishermen and processors to abide by dockside grading and paying for it is ridiculous.

Because of this great management plan we now have National Sea and other large companies transferring their enterprise allocation to smaller boats—which are more efficient and who used to catch that fish because the offshore could never catch it in the Bay of Fundy and in other areas of the inshore fishery—and we have the large companies asking the under 65-foot dragger fishermen to now fish for them at a reduced price, half the price for the fish, and that fish is then transferred to the offshore companies' plants. That fish used to go into the inshore communities.

That alone should tell the minister that the inshore communities want to meet with him. I would like to have an opportunity to meet with him. In all the time I have been a member of Parliament, whether I was on the government side or the opposition side, I have at least been able or been given the respect in an answer to a letter or a request or whatever to meet with any minister in the House. I have at least been given that. I have waited almost two and half months for a reply to a letter seeking a meeting with the minister on friendly terms, just to talk about the disaster his policy is having. But no, you have to be a big company in order to rate this government or that minister's attention.

I want to tell you what the individual transfer quota will do. This is perhaps the last step in my mind of privatizing a once common resource. It used to be that if you put a quota on, they could go out and fish it. But the result of this transferability is going to be to squeeze out the small owner-operators. Some local industry representatives estimate that the individual transferable quota will result in the loss of one-half of the current employment when the fighting and transfers are finished. I venture to say that you will see with the transferability one to five companies controlling all the catch in the inshore fishery at the end of this management scheme unless this minister is stopped.

I want to say one last thing. It is about the appeal process to this management scheme.

The fishermen got a four-page letter last July 23 and they were given one month to appeal it. What did they have to do?

I think it is almost against human rights. "For a review of catch history, use package A attached." There was package B, too. I think it was 25 pages. "Complete the cover page and Table 1, Table 2, Table 3 for any year's landing you wish to contest, and sign the statement

confirming data accuracy." The fishermen needed an accountant.

They needed all that in the middle of summer at the time when they were supposed to be fishing, when accountants are on vacation. But they had one month. Supporting documentation was required for the information contained in the tables. This is an affront to any Canadian.

For people who have been in the fishery for 10, 20 or 40 years, documentation must include the following: copies of the buyers' purchase slips, copies of fishing logs, a signed permission form for release of income tax documents to DFO, a signed permission form for release of UIC documents to DFO. This minister is a lawyer. He should realize that is an affront. Any cases of suspected fraud in a letter will be referred to the RCMP.

Now, you tell me that this government is playing fair with the livelihood of the inshore. I know the parliamentary secretary is going to say something on behalf of the Minister of Fisheries and Oceans but I think she should tell the minister that if only he would come to meet the fishermen, he would know what is going on, rather than listening to one or two of his officials.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, there are difficult decisions faced in the 1991 Atlantic Groundfish Management Plan and these were made only after careful consideration of the advice and views provided by the organizations, by fishermen and industry members and provincial governments as well as by fishery scientists who gather and analyse the vital biological data on the various fish stocks, including those of Scotia–Fundy region.

A reasonable balance has been achieved between the conservation of the resource and stability for the participants in the industry and for the economy of the Atlantic region of Canada. The new multi–year approach to managing the groundfish fishery will allow for better planning of Atlantic Canada's groundfish industry and allow Canadian exporters and their customers to develop long–term planning as fish stocks are rebuilt.

The multi–year plan establishes three–year quotas for most groundfish stocks. These TACS will be reviewed by scientists on an ongoing basis and they will be revised should scientific evidence warrant this.

The 1991 plan particularly helps cod fishermen in South West Nova where the quota has been increased to 26,000 tonnes. Furthermore, both inshore draggers and fixed–gear fishermen within the Scotia–Fundy region are better off this year than last. Therefore, the plan will help maintain and provide for long–term stability.

As for the introduction of ITQs for various fisheries, this plan was announced months ago on May 7, 1990, as part of the Atlantic Fisheries Adjustment Program. Where it is deemed feasible and after thorough consultation with affected fishermen, the individual transfer quota systems would be extended to more and more fishermen.

In 1989, over 40 per cent of landings on the Atlantic coast were from vessels operating under the ITQs. The stated plan is thus a reflection of a process which started in the early 1980s in the offshore groundfish fisheries.

Today, all offshore fisheries are under the same type of ITQ and a similar system has recently been extended to smaller vessels in the Gulf and Scotia–Fundy inshore groundfish fisheries. Discussions are ongoing with industry and provincial governments for the introduction of ITQs on the Gulf shrimp fleet.

It is important to notice that the ITQ systems do not entail the privatization of the fishery. Indeed, the Minister of Fisheries and Oceans retains his authority to vary these quotas subject to conservation and socioeconomic needs. All transfers of quota between participants require authorization from DFO in the form of amendments to fishing licences.

The introduction of ITQs is a management approach in line with current realities.

• (1910)

Individual allocations allow fishermen to better plan their annual fishing operations and to operate more as business enterprises.

OKA

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, this late show debate involves the question

that occurred some time ago in the House on the matter at Oka and a request from our side of the House of the Minister of Justice to implement a public inquiry into the matter at Oka.

I would like to explain why it is absolutely critical that a public inquiry go ahead rather than the partisan, locked-horn relationship of the committee which I really do not think will elucidate the kinds of things Canadians have to know.

In the fall of 1989, the Minister of Indian Affairs and Northern Development said he had an agreement in principle with the Mohawks at Kanesatake over the land settlement issue which led to the Oka crisis. In fact, the Minister of Indian Affairs and Northern Development had no agreement. The minister submitted a document which he claimed was an agreement in principle, but the document was in fact only signed by three officials of the Department of Indian and Northern Affairs and no one else. It was not an agreement.

The minister claimed that the Mohawk leadership was unable to produce an agreement because it was so badly divided, but in fact the Mohawk leadership had absolutely and unanimously rejected this minister's proposal for an agreement. It is interesting. If the minister is telling the truth he should submit that document to the House of Commons forthwith.

The second matter was that in the spring of 1990, the minister said that he was willing to purchase the lands at Oka, the lands in dispute, and thereby resolve the matter at hand. The Mohawk leadership has a tape of a meeting with the Minister of Indian Affairs and Northern Development on June 21, 1990. On that tape the minister says that he cannot purchase the land because there is no money in the Treasury.

If the minister is telling the truth, he should forthwith lay all documents related to the purchase of those lands before the Oka crisis before the House of Commons.

Every opportunity to resolve this dispute was in the hands of the Minister of Indian Affairs and Northern Development. It involved lands that the municipality at Oka had paid less than $200,000 for. The stupid and incompetent bungling of this issue had to be resolved with 4,000 members of the Canadian Armed Forces faced off against the Mohawk Band at Kanesatake. The stupidity and incompetence of the handling of this issue resulted in a $200 million bill to the Canadian taxpayers and the Canadian taxpayers are still paying as this process evolves.

We should not be here demanding a public inquiry, which is the only way that we can get the truth from the government and the Minister of Indian Affairs and Northern Development by having a judge who can compel witnesses to attend and compel witnesses to testify and produce the documents involved.

These are things that neither this House nor the committee will ever see both because of the lack of power and the lack of determination of the government to bring this matter before the people. We need that public inquiry if Canadians are ever going to see a true version of what happened in the lead-up to the turning loose of 4,000 members of the Canadian Armed Forces and the spending of $200 million in taxpayers' money.

What should really happen is that the Minister of Indian Affairs and Northern Development should resign immediately because of the absolute lack of credibility in the contradictory statements put forward by the minister in this House. What the minister's statement contradicts is the truth.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the hon. member has once again raised the question of a need to call a further inquiry into the stand-off at Oka. The Standing Committee on Aboriginal Affairs in fact has voted to conduct a comprehensive and independent inquiry into the events of the summer of 1990. The committee will be inviting members of the public who wish to comment on these events to contact it.

This will give those interested an opportunity to discuss fully their concerns and will assist in achieving a full review of the events at Oka and Kahnawake.

To date, there has been substantial review of the events at Oka including an inquiry by the province of Quebec under the National Defence Act and the conclusion by the Federal Court of Canada on two separate occasions that the actions of the forces did not result in any violations of the Charter of Rights and Freedoms.

I am confident that the report of the standing committee will support these earlier findings. However, I welcome the decision of the committee to conduct its inquiry, as I believe this forum will present Canadians

with sufficient opportunity to air concerns and access the type of information they may be seeking.

It will also provide answers to questions which may be outstanding. I strongly believe, though, that while we can learn from the past we must look ahead and apply that knowledge to the future for the benefit of all Canadians.

This is the objective of the government's new agenda for aboriginal peoples outlined by the Prime Minister in his speech to this House on September 25, 1990. In that speech, the Prime Minister spoke of an agenda with four main pillars: land claims, economic and social conditions on reserves, the relationship between aboriginal peoples and governments, and concerns of Canada's aboriginal peoples in contemporary Canadian life.

The goal of the agenda is the creation of a new relationship between aboriginal and non-aboriginal Canadians. Defining and developing this relationship will take creativity and perseverance, the courage to see things as they are, the honesty to acknowledge them for what they have become, and the common resolve to correct current problems for the benefit of future generations.

The success of the agenda depends on the commitment and leadership of governments and aboriginal leaders. I am confident that by working together, while looking to the future and applying the lessons of the past, we can achieve the goals of the agenda.

REGIONAL DEVELOPMENT

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I welcome this opportunity to bring to the attention of the House the sad demise of Winnipeg's Core Area Initiative. This program was begun 10 years ago under the leadership of the member for Winnipeg South Centre who, in his capacity as a minister, brought together the three levels of government work concerned about the future of Winnipeg's inner city.

Up to that point, there had been a great deal of division among these three governments as to what to do with important issues such as the CP rail tracks.

Under the leadership of the Liberal government at that time, a $100 million program was put together which was then renewed and changed in 1985-86. This program is now being left to hang in the air and Winnipegers would very much like to know the intention of this government.

There are rumours that there will be a one-year extension with no funding. I would like to say to this House that is totally unacceptable to people in the inner city.

Since rumours began to circulate last year that the Core Area Initiative was not going to be renewed, several groups have been meeting in the inner city to discuss the implications of this issue.

The Urban Futures Group, under the leadership of an academic from the University of Winnipeg, presented to the federal and provincial governments several proposals to change the core initiative and to give some 90 groups from the inner city a chance to speak out.

I attended these meetings and I can assure the House that there is a wide range of opinion from both the social activists and the business community seeking to restore the Core Area Initiative to its proper role as a focus for public action in the inner city.

Subsequently, governments refused to meet with this group and its program has been put on the back-burner. Last week, *Inner City Voice*, a well-known local community newspaper in the inner city, put together another group to discuss these issues.

At that meeting which I attended, many people brought out issues such as housing, the poor condition of housing in the inner city of Winnipeg caused in large part by the refusal of CMHC under this government to fund properly co-op and low income housing. It has left one block after another looking devastated.

In addition, when people do want to renovate their homes, the moneys are no available because the Core Area Initiative has run out of funds.

Second, people talked about day care. We hear a lot from this government about jobs, jobs, jobs; get out, work and look after yourself. Mr. Speaker, you can imagine a situation in which most people who are single parents cannot find the support through day care in order to get into the work force. This government has turned its back.

There was a wonderful program, Parent-Child Centres, in the inner city. It was low cost. There was no bureaucracy attached to it. It involved a few parents getting together in a very simple storefront operation. This government through the Core Area Initiative, could not see its way to continue support. As a result, all these small infrastructures are being taken away. Another organization on Broadway Avenue in the inner city, the

West Broadway Family Centre, had a parent respite centre where people could drop in and talk about their problems, talk about the difficulty of bringing up a family alone. That, too, has been taken away.

• (1920)

Everyone in Winnipeg agrees that perhaps North Main is one of the most devastated urban areas in this country. It reminds us in our worst dreams of what it must be like to live in the inner core of an American city.

The North Main Development Corporation, a group of business people, have bravely tried to put together an organization for the last five years in order to build up public support for new facilities, for new infrastructure, to change the impression that only derelict hotels and run down businesses are there, and to try to enhance the value of their properties.

One would think that such a conservative agenda would appeal to this government. That the very least they would do is say: "Yes, let us work on North Main". But, no, the only response is a deafening silence that will not help out North Main.

Or perhaps take a look at the CP station, which is one of the most historic sites in Winnipeg. Very responsible leaders in the aboriginal and business community have come forward with a very well thought out program to purchase that building. CP is interested in making a deal. They need one government to take the initiative, to step forward and say: "We will be first in". Then the others would follow.

The Core Area Initiative was designed to help such people get started. Without the core there is no one around to say: "We will give you that extra push to make sure your program takes place."

Again we find that the absence of an active federal government is having devastating results in the inner city.

Mr. Speaker, I could go on with several other examples of how, in the last ten years, the core has become an essential feature in Winnipeg despite some very subtle errors in judgment, such as the way it has become involved with the Forks, or the way it has become involved in the North Portage development site. But the essential idea is to have a concerted effort in the centre part of a city under tremendous economic stress and to put in a large chunk of money and to have something visible, something that would help out new Canadians, the unemployed, that will train aboriginal youth. A program like that is essential for the future of the city.

This government has ignored Winnipeg when month after month, we have needed government action, a symbol of reassurance that it in fact is committed. We need assurance that the federal government will not pull out of the core as it did out of federal–provincial relations or economic and regional development agreements, that it will not pull out like it did in major industrial projects, that in fact it understands Winnipeg.

We have asked and asked again in the House and there has been nothing but silence. So I ask this government one more time: will they not support the Core Area Initiative, sign a new agreement, show some life, show some support for the centre part of Winnipeg?

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, as the member for Winnipeg North Centre has noted, the Winnipeg core area initiative was created in 1981 under the umbrella of the Canada–Manitoba General Development Agreement in order to respond to what was then a decline in the inner city. This was having an impact on the whole province because the population of Winnipeg is 62.5 per cent of the province of Manitoba.

By 1986 after the expiration of the first five–year agreement considerable strides had been made in reversing that decline and the momentum at that particular time was deemed as just too recent and perhaps too fragile for a withdrawal of public support.

Therefore, as the hon. member has suggested a second agreement under this government was negotiated in 1986 and the five–year economic and general development program was put into place.

Core II, as the program was called, was designed to solidify the momentum and ensure that the trend toward renewed investor confidence was consolidated. That has happened. A brand new 33–storey Toronto–Dominion Centre on the corner of Portage and Main, for example, stands as a testimony to the idea that investor confidence has been renewed in the inner city.

All governments have an obligation to ensure that public funding is directed toward the highest priorities, that it responds to current situations and needs, and that it relates directly to mandates of certain areas of government.

Many of the needs of the inner city of Winnipeg, to which the member has referred, fall most appropriately within the mandate of the city and the province. Even so, Winnipeg itself is looking ahead and beyond the inner city. It has shown excellent initiative in establishing Winnipeg 2000 to provide a focal point for economic development for the entire city, economic development, Mr. Speaker, led by the private sector.

What has emerged from this is a renewed sense that the real long–term solution to inner city needs is to increase job opportunities through private sector investment in the city. So whether we achieve this by way of a new tripartite agreement or something different, remains to be negotiated.

However, I will say that Ottawa is not on the verge of abandoning either Winnipeg or Manitoba.

In the health care sector, as an example, some $200 million of investments will be made in Winnipeg and Manitoba and these will include the federal government's virology lab which will be located in the inner city and will have a significant impact on Winnipeg's economy. Canada is committed to co–operating in areas of federal mandate, whether that will involve formal agreements or simply co–ordination of program areas, it is a little too soon to say.

However, the objectives of Winnipeg 2000 which include the priority emphasis on urban natives as well as on general economic development throughout the city are very much the objectives of my government.

With the private sector, as well as with the municipal and provincial governments, we are moving together in advancing the diversification and industrial development of Winnipeg and of Manitoba as well as focusing the needs on people such as in the native community.

We believe that our directions are those which will have the greatest long–term impact for the community and for the 1990s.

It is with this in mind that the Hon. Jake Epp met with the provincial and municipal counterparts and will be meeting again to discuss an era of new intergovernmental and private sector co–operation for the 1990s.

The Acting Speaker (Mr. DeBlois): The motion to adjourn the House is now deemed to have been adopted.

The House, therefore, stands adjourned until tomorrow at 11 a.m. pursuant to Standing Order 24(1).

The House adjourned at 7.27 p.m.

HOUSE OF COMMONS

Tuesday, February 26, 1991

The House met at 11 a.m.

Prayers

[*English*]

LIBRARY OF PARLIAMENT

TABLING OF ANNUAL REPORT

Mr. Speaker: I have the honour to lay upon the table the report of the Parliamentary Librarian for the fiscal year ended March 31, 1990.

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATION

PRESENTATION OF 21ST REPORT OF CANADIAN NATO PARLIAMENTARY ASSOCIATION

Mr. Bob Hicks (Scarborough East): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House the 21st report, in both official languages, of the Canadian NATO Parliamentary Association.

* * *

POINT OF ORDER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I know I am rising slightly late. I should have risen under Statements by Ministers. I wonder if I can put a question to my hon. friend, the Parliamentary Secretary to the Government House Leader, concerning the rather extraordinary events unfolding in the last number of hours in the Persian Gulf.

Does the member know whether the Minister of National Defence will be making a statement in the House any time during the day or indicating the government's view as to those recent developments in some other form?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I can advise my hon. friend that I am sorry I do not know if that is the government's intention. However, I can assure him that if such a situation arises I will inform him at that time.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE ACT AND SECURITY OFFENCES ACT

CONCURRENCE IN REPORT OF SPECIAL COMMITTEE

Mr. John Brewin (Victoria): Mr. Speaker, I rise to speak to a motion which I placed on the Order Paper in September. The motion is that the report of the Special Committee on the Review of the Canadian Security Intelligence Service Act and the Security Offences Act presented to this House on Monday, September 24, 1990 be concurred in.

The effect of this motion is to ask the House to concur in the report called *In Flux But Not in Crisis*. I take this particular opportunity to bring this motion because yesterday—

Mr. Speaker: Order, please. The proper procedure is that the motion be read and I think I should proceed to do that. It is moved by Mr. Brewin:

> That the report of the Special Committee on the Review of the Canadian Security Intelligence Service Act and the Security Offences Act presented to this House on Monday, September 24, 1990, be concurred in.

• (1110)

Mr. Brewin: Thank you, Mr. Speaker. I apologize for having sought to pre-empt your role in reading the motion; it was inadvertent.

Mr. Speaker: As the hon. member may know, I expected him to perhaps be making some remarks in another direction with respect to this motion. That is why I allowed him to go on. I appreciate the courtesy of the hon. member.

Mr. Brewin: Mr. Speaker, I would like to speak to the report itself and, if it is not bending the rules, to comment in passing on the response of the government to it.

The Canadian Security Intelligence Service Act was adopted in 1984 by the House of Commons. It essentially established a new regime for security intelligence in Canada. It provided that instead of the RCMP being responsible for security intelligence, a new agency, the Canadian Security Intelligence Service, would be created.

The 1984 legislation contemplated that there would be a review by a committee of Parliament five years after the act had passed. That committee was established in the summer of 1989 and was chaired by the distinguished member for Lethbridge, if I have his constituency correct. That committee worked hard for a year to produce this report, which is called *In Flux But Not in Crisis*.

I want to say at the outset that the committee report was unanimous. All members of the committee—Conservatives, Liberals and New Democrat—approved the recommendations in this report. It was the product not just of a unanimous report but of very extensive work by the committee. We had an extremely good staff, the committee worked very well together, and I want to pay a special compliment to the chair of the committee, who worked hard to draw us together to try to reach some constructive recommendations.

As with any unanimous report, it represents to some extent a compromise of various points of view. But we were very proud of the work that we did and felt that, in making this report, we were making a constructive set of suggestions and recommendations that would be for the good of this country and the good of the governing of this country.

Security intelligence is a difficult area, because essentially what we say to the government in establishing a security intelligence service is that we give you, the government, special powers in the interests of preserving the security of this country. But we have also learned over the years that it is essential to place certain restraints, constraints and restrictions on the special powers given to the government, to ensure that the rights of our citizens are not violated by the government.

As we in the committee got into the report, we actually found that there were two concerns. The first concern was in the area of civil liberties. It was whether CSIS, in the course of its work, was interfering with the civil liberties of Canadians; and whether there were adequate checks and balances to ensure that on those occasions when citizens or residents of this country felt that their rights were being challenged and perhaps violated by CSIS, that there were sufficient remedies that would enable those actions to not only be reviewed and looked at but, where an error was found, to be corrected.

So, that was the first issue, civil liberties.

The second issue was whether CSIS and the government, in running this operation, was spending the public's money wisely.

By this current fiscal year, $190 million a year will be spent by CSIS. It has over 2,000 employees. What are those employees doing? What are they spending the money on? That leads to the question of why the secrecy, because we found the more we looked at it that the operation of CSIS was completely shrouded in secrecy and mystery.

Was the secrecy justified in the interests of protecting the country's security, was it covering up a government attack on the rights of citizens, or was it hiding a profligate waste of money on the part of this government agency? We found that CSIS was not going to tell us any of this. We found that the government was not going to give us any information on this. Now we find, when the government responds to the recommendation, that it has no intention of telling Parliament or the Canadian people what it is doing in Parliament's name and in the name of the Canadian people. We find that the government continues to hide behind the rubric of security and produces no justification for so doing.

Let me take a minute or two in summarizing some of the specific recommendations. The most important recommendation in my view is the recommendation that instead of a periodic review by Parliament there should be established a permanent subcommittee of the Standing Committee on Justice and the Solicitor General of the House responsible for security intelligence matters. The subcommittee would have a permanent security-cleared staff, have secure premises for its own work and would be able to receive information from the government *in camera*.

The subcommittee's role would be to focus on the question of estimates, is the government's and Parliament's and the people's money being spent wisely? It

would also focus on broad policy issues related to the interests of civil liberties and security in the country and the balance thereof. This particular recommendation owes its genesis to the McDonald commission which preceded the establishment of CSIS but was one in which all members of the committee concurred, one which makes good sense, one which is important if public confidence in CSIS is to be developed and maintained.

We found that the problem with a five-year review was that it took us some time as members of Parliament who were first coming to these issues to get up to speed. We found it took some time for the security agencies to develop some confidence in the committee and for us to develop a level of expertise necessary to ask the right questions of the right people. It seems to us that the system has matured to the point where a parliamentary subcommittee is important.

At one level the existing Standing Committee on Justice and the Solicitor General has the mandate from Parliament to review the work of CSIS and other security agencies, including that of the RCMP. But that committee has a mandate to cover a range of topics and it was our view that it was important that a group of parliamentarians, per force a small group of parliamentarians, develop the kind of expertise which we in the committee felt we had gained in the year's work on the committee. That recommendation has been trashed and rejected by the government. The wisdom of all members, not just NDP members, but all members of Parliament, has been rejected by the government and instead the government wants to go back to the five-year review.

Mr. Lee: Seven.

Mr. Brewin: Has it gone to seven? Seven-year review.

I have not even had a chance in the last 24 hours to read in detail all of the comments of the government. I read through it very quickly. I have some responsibilities now in another area.

A seven-year review.

• (1120)

One of the problems that the security people, the CSIS people, indicated to us was that there is sort of a lurching of response within the security intelligence community to the effect of imposing this special parliamentary review. There is no opportunity to get used to the fact of parliamentary review and, instead, what happens is they have to turn the House completely upside down trying to respond to the various questions and concerns that are exhibited by the committee.

When we went down to Washington and met with the CIA and other government people, we discovered that the senators and the congressional people in the States had found that they were able to develop over a period of time a level of confidence on both sides.

Let me say first, then, that I am extremely disappointed that the Solicitor General and the government have rejected this recommendation. I do not propose that it should be lost entirely, because in the final analysis it is within the jurisdiction of the Standing Committee on Justice and the Solicitor General to make a decision as to how it is going to order its work. I would hope that all members of that committee will review this particular recommendation and see if they cannot bring themselves to accept the wisdom of this unanimous recommendation.

A second important recommendation was to broaden the review and oversight capacities to include other agencies than CSIS. What perhaps many members of the Canadian public and even members of Parliament may not appreciate is that the mandate of CSIS is confined to a particular area. The RCMP is also involved in security intelligence work; the Department of National Defence is involved in security work, and other departments have various agencies and various components of their work involved here.

Those agencies do not have the special power of CSIS, but it seemed to us to make sense that where there are concerns, including the secret spending of money for example, the communications security establishment's spending is not reviewed by Parliament. For practical purposes the RCMP's expenditures in this area are not reviewed by Parliament. DND's other expenditures are not reviewed by Parliament, and perhaps for good reason. It may well be that by revealing the details of those expenditures, exactly the wrong people get the information.

Again we saw the importance of giving this parliamentary subcommittee, which could meet *in camera* and could receive security information, the responsibility for reviewing these other expenditures and the work done by other departments. As well we thought it important that the Security Intelligence Review Committee be given that mandate. Again that recommendation has been rejected.

One of the constraints on CSIS is the definition section of the legislation which limits but by its effect CSIS's mandates to the specially defined threats to the security of Canada.

One of the most important recommendations was the proposal to delete section 2(d) of that act which gives the government, through CSIS, the authority to use its special powers to look into what is called subversion under the act.

The more we looked at this section, the more we asked people who came before the committee: "What kind of subversion? What kind of activities are you talking about when you mean subversion?" We all agreed that CSIS needs to worry about terrorism. CSIS needs to worry about espionage. We as a Parliament are doing our responsibilities correctly when we give to this agency the duty to look into terrorism and espionage.

The more we looked at it, the more we found ourselves saying: "For the life of us, we can't see what kind of subversion we are talking about here." Subversion becomes very close, in some people's minds, to what, in another way of looking at it, would be perfectly legitimate political activities.

What we really are saying here, when the report recommended the deletion of 2(d), is that when challenges to the state get to the point of the use of violence or the threatened use of violence that is terrorism, and we say look into that.

When foreign governments spy in this country, we should know that that is happening. The history of this country suggests we should become very concerned when the government has its own definition of subversion and gives to itself the licence to look into groups that may have some difference of opinion with the government line of the day.

The most revealing testimony was from a former public servant, John Starns, who was vigorously defending the continued inclusion of clause 2(d) in the legislation. When he was asked by one of the members of the committee to give an example of subversion, his suggestion was those who would favour separatism or independence for Quebec.

I suspect it was that answer which provoked the government members, as well as the opposition members, to see how there could be an abuse of the rights of CSIS and the rights of government as embodied in the legislation.

No matter how many of us, as do virtually all members of Parliament, disagree with the proposition that Quebec or any other part of Canada should separate, we are in a democracy. Those people are entitled to that view as long as they express it within the democratic parliamentary system. That is the way in which we should work out these ideas. We should not give to our government the right to spy on those who are working within the democratic system on an idea, albeit one with which we disagree.

If people who have that view begin to contemplate violence in the pursuit of that political aim, then that becomes something which we should look into. Therefore, the unanimous view of the committee rejected by the government was that this section should be deleted.

There are many other important recommendations in this committee report. There are suggestions about the appointment to the Security Intelligence Review Committee which is Parliament's alleged watch-dog in this area.

We have seen the fiasco of the last appointment. The committee unanimously came up with ways which we believe would avoid that and restore to SIRC the confidence that it is entitled to.

We have various recommendations with respect to CSIS employees. I note with some disappointment that even though the director of CSIS said he favoured collective bargaining for CSIS employees, the government has merely said that it generally has no objection to that. What we do not see is a commitment by the government to amend the legislation to ensure that that right is available to the members.

There are a number of recommendations to improve the warrant process and to improve the rights of those who have been rejected for security clearances. Much of what happens in the security area comes under the general heading: "Security Review" and gives security clearances to people who are seeking to become citizens

of the country, who are seeking to immigrate into Canada, and who are seeking jobs in the public sector.

Yet, that system is not only bogged down with an enormous amount of paperwork. Not only were we not able to really get to the heart of how the system was working but, further, the checks and balances against an abuse of that system have not been addressed by the government report.

In sum, the answer of the government to this very comprehensive and well thought through report by the special committee reveals perhaps why this government has been in office simply too long.

It is hard for me to imagine that the government elected in 1984, after the previous 25 years in opposition, would so quickly jump to the defence of the security establishment and the bureaucrats and would fail its duty to this Parliament to respond with a greater open mind to the recommendations of this committee.

• (1130)

The rights of Canadians ought to be the prime concern of this Parliament. This motion I have on the floor now calls for concurrence in this report. In effect, it will represent a direction by this Parliament to the government that this report should be enacted.

We now have a contrast. We have the report of the parliamentary committee and we have the report of the government. They stand in contrast. It is important, in our view, that this House stand behind the committee, endorse the recommendations of the committee, and enact this charter for the next five years for the security intelligence system in this country.

Mr. Derek Blackburn (Brant): Mr. Speaker, I want to congratulate my colleague from Victoria on a very excellent address this morning on the Solicitor General's answer to the special committee looking into the affairs of CSIS. I have a couple of questions I want to put to my hon. friend.

The first one comes from a passage at page 76 in the Solicitor General's response, which is entitled "On Course". The last paragraph on that page begins: "The government recognizes the need for consultation with opposition leaders regarding appointments to SIRC".

If memory serves, there was a tremendous verbal blow-up, to put it mildly, when the present chairman of SIRC was appointed a year and a half or two years ago. At that time the former leader of this party made it very clear that he had not, in fact, been consulted, although there was provision at that time for consultation. There was simply a phone call. He was away from his office. The appointment went ahead and then he was apprised of the appointment following it.

My first question to the hon. member for Victoria is: Does this insertion in this Solicitor General's response on page 76 lend any greater credibility to the process than was already there and as it was used or abused some two years ago?

My second question relates to a statement the member made with respect to the special committee's journey to Washington where it consulted with officials on the government side. That is the CIA and other federal U.S. agencies in the security field.

I want to put this question to him. Did he get any impression at all that members of the CIA or any other related groups, such as the National Security Council, had suffered professionally or had their work been infringed upon in any way by the fact that in the United States of America, both at the Senate level and at the House of Representatives level, there are what we would call parliamentary or congressional oversight committees on an ongoing basis that look into the operation and management of those secret organizations?

Mr. Brewin: Mr. Speaker, I thank my friend for his question. I may say that as my duties changed, so did his. The member for Brant is now responsible within our caucus for matters of security intelligence. I would hope that if this subcommittee can in fact be established, he will have an opportunity to serve on it. I know he will serve with distinction in that event.

He asks two questions. First, with respect to the appointment of the Security Intelligence Review Committee, I could take the time to go through the whole sorry history of the last appointment. Instead, let me take my time to refer specifically to recommendation 80 of the committee's report. I will precede it by the comments of the committee.

To appoint members to SIRC, the Prime Minister must first consult with the Leader of the Official Opposition and the leader of every party having at least twelve members in the House of Commons. The committee is aware that the process by which the current chairman of SIRC was appointed, caused some public concern.

That is an understatement. It goes on to say that the committee must hold the confidence of all Canadians.

In the end the committee recommended that section 34 of the CSIS Act be amended to require the Prime Minister: one, to notify in writing the leaders of each of the parties with more than 12 seats in the House of Commons that an appointment to SIRC is to be made; two, to request the leaders of each party so notified to put forward a short list of names of persons they believe to be qualified to be a member of SIRC; and, three, to communicate and discuss with the party leaders in the House so as to be apprised of their views on who should be appointed.

This recommendation specifically tightens up the procedures which would ensure that the opposition leaders are in fact consulted in the appointment of this important committee. I may say finally that the government merely recognizes the need to consult and fails to make a specific commitment that there should be an amendment to the CSIS Act in that respect. That is a cop-out on the part of the government.

The second question is the statement about the CIA and other intelligence agencies in the United States. What we found was that members of the security intelligence community in the United States who had been very apprehensive about the establishment of permanent committees of Congress to oversee their activities found that in the end it was in fact entirely helpful. They believed they were doing a good job and they found that the committees ultimately concluded that most of the time they were doing a good job. The committee served as a safety valve to deal with those issues where there was the inevitable screw-up on somebody's part.

We believed that as best we could find out CSIS was doing a good job. There were some safety valves established in the regime of the 1984 act, including the Security Intelligence Review Committee, but in our view those safety valves could be improved, in fact CSIS would benefit as with the rest of the security intelligence community from having permanent parliamentary overview, and they had nothing to fear from having permanent parliamentary review. I must say I ask when I look at the government recommendation of the government rejecting our recommendation: What is it that the government has to hide? Why does it not want us to look at how it is spending the money? Why does it not want us to look at what security intelligence is doing in Canada?

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I want to thank the member for Victoria for affording us the opportunity to respond to this committee's report, the committee that was chaired by the hon. member for Lethbridge.

I want to say at the outset that I lived through the experiences of World War II as a young man. I would hope the member for Victoria would understand that the ethnic group from which I draw my roots and which I enjoy "enjoyed" considerably scrutiny during World War II and considerable public scorn at the time simply because of our generic names. I recall very clearly what it was like to be of Germanic extraction during World War II and the automatic suspicion that this incurred during wartime. Therefore, I and members of my caucus have first-hand experience of what it is like to be under unwarranted scrutiny.

I just want to say as forthrightly and as kindly as I can that we really do not need lessons from the member for Victoria about concern for civil rights in our society. While he is visiting with his seat-mate there, I would point out to him that those of us who have experienced that kind of scrutiny welcome the establishment of this agency, as well as of SIRC, as well as parliamentary review. We think it is a way of ensuring the civil rights of Canadians that these institutions be developed and these methods of review be developed. I just want to underscore to the member for Victoria that we as a government do not take this issue lightly. On the one hand we are accountable and responsible for the security of all Canadians from threats, but we are also responsible for the civil rights and the security of the civil rights of all Canadians.

• (1140)

We have a dual responsibility and we mean to discharge both of those responsibilities with vigour.

I debate the motion "that this House concur in the report by the special committee for the review of the

Canadian Security Intelligence Service Act and the Security Offences Act entitled, *In Flux but not in Crisis*".

This legislation is important to how we, as a society, deal with threats to our security, while protecting our democratic rights and freedoms. In 1984, when Parliament was studying the proposed CSIS and security offences legislation, it decided that there should be a review of the provisions and the operation of these acts five years after their coming into force.

I would like to commend the members of the special committee, chaired by the hon. member for Lethbridge, for the work that they carried out. The committee has made many observations and recommendations that deserve careful study by the security intelligence system of government.

Within the 150 days provided for by Standing Order 109, the government has tabled in Parliament its considered response to the committee's recommendations. I note that the chairman of the committee, the hon. member for Lethbridge, in a press conference following the tabling of the report observed that the "review revealed no crisis or improper activities within our security and intelligence community".

It is also interesting to note that at the same press conference the hon. member for Victoria, the sponsor of this motion, stated "CSIS gets good marks from us as a clear improvement on the past".

The world has seen dramatic changes in the past five years. The Berlin wall has fallen and the cold war is over, at least we presume it is over. What will rise from the ashes is yet undetermined. I recall seeing a press report at the time when the Federal Republic of Germany was celebrating the unification of the two Germanys and on the night before the final act of unification the Soviet secret police were still meeting with the East German secret police, urging them to carry on their secret police activities. So while we hope the cold war is over, it means that some of those activities still carry on and those old habits die hard. Security is still a primary concern for the Canadian people.

I note also that the Prime Minister recently said to the conference of Interpol here in Ottawa:

> Where states were once preoccupied by war, they must now also worry about other threats to their security. The drug dealer, the terrorist, the environmental criminal, the money launderer, the technological spy, the syndicates of organized crime. We must be as vigilant and vigorous in co–operating to meet those new challenges to national security as we have been to meet the old.

For CSIS, their mandate includes two of these threats, the terrorist and the technological spy.

Despite these changes in the world, then, most people would agree on the need for a system to protect Canadians from threats to their security and the need for a security intelligence service. In the government's view there can be no doubt that Canada needs CSIS.

The special committee concluded there is a need for a security intelligence service like CSIS. I also note that the committee found no witnesses who took the position that security intelligence was no longer necessary or that the mandate of the civilian domestic security intelligence service should revert to the RCMP.

Threats to our security do exist. Consider the threat from terrorism. Canadian democracy depends upon a climate of freedom, where political objectives are pursued through open discussion, debate and lawful advocacy. This climate, as well as public safety, are jeopardized when any person or group seeks to gain their political objectives by carrying out acts of violence or by threatening to do so.

In the 1980s the threat of terrorism became an immediate security concern and this government has directed CSIS to treat terrorism as its first security intelligence priority. Our first line of defence must be intelligence.

The other major threat, espionage, has been an ongoing reality since the emergence of nation states. All nations seek to advance their position in the world. Some resort to covert means to do so, and this threat exists today despite changes in the international political climate. Despite these changes, the threat posted to the security of Canada by hostile intelligence services continues to be high.

Canada must have the means to protect itself from such threats, whether they take the form of traditional espionage or attempts to steal knowledge of sensitive high technology. The government owes it to Canadians who are devoting their careers to providing their country with scientific advances. The special committee also concluded that terrorism and espionage continue to threaten Canada and Canadians.

When this parliamentary review began, the government stated it believed that the Canadian Security Intelligence Services Act and the Security Offences Act are sound pieces of legislation which are working as Parliament intended. The special committee has stated it is satisfied that the basic architecture of the act was sound, functioned well and should be preserved.

I would like to remind the House of some of the fundamental views the government took into the review process as outlined by the new Solicitor General when he appeared before the special committee.

The CSIS Act provides a statutory framework for balancing effective national security with respect for individual rights and freedoms. The CSIS Act defines CSIS' mandate to collect intelligence and advise the government on threats to the security of Canada. It gives the service the powers necessary to fulfil that mandate.

The act that sets up a unique guidance system for the agency, consisting of a legislative framework that defines and limits the powers of CSIS, political control and accountability, a system of judicial controls and significant external review by the Security Intelligence Review Committee.

Finally, the act provides a mechanism for hearing the complaints of any person or group about any aspect of CSIS's activities.

The Security Offences Act confirms the security offences enforcement and protective security responsibility of the RCMP. These acts provide a well-conceived legislative framework that allows flexible response for changing circumstances, within an unprecedented legal and policy framework which is unmatched in the world.

The government has used policy direction to guide the interpretation and implementation of these acts. All of the key players in the security intelligence system in Canada have worked hard to ensure the legislation operates in a practical and effective manner.

The service has developed and operates on the basis of a sound and stringent targeting process. A rigorous process is in place for warrant applications, and the reporting function of the service is being enhanced to improve and reflect better the process of policy development and decision-making within the government.

• (1150)

The Inspector General and the Security Intelligence Review Committee have carried out their roles in an orderly and rigorous way, and I think the member for Victoria would agree with that.

The reports of the Inspector General reassure the minister that CSIS is conforming to the law and ministerial policy directions while SIRC, by its annual reports, which the minister must table in Parliament, completes an annual cycle of public accountability for CSIS. To infer that another jurisdiction like the United States has a scrutiny that Canada does not have is a little bit misleading and I hope that the member for Victoria would agree with that.

Finally, the RCMP and CSIS have measures in place and a working relationship that ensures effective co-operation. This is how the legislation is working today.

As legislators, I think we can all appreciate that five years is not a long time to implement fundamental change. Nevertheless, a great deal has been accomplished. The CSIS Act and the Security Offences Act went through an initial working-in period. The new acts were a dynamic and self-correcting system which provided a sound security system for balancing effective national security with respect for rights and freedoms.

After three years of experience with the new CSIS Act, the need for accelerating the transition process became apparent in 1987 through internal warning signals and external reports of the SIRC and the Joint Parliamentary Committee on Official Languages. The government established an independent advisory team headed by the Hon. Gordon Osbaldeston to determine how CSIS should evolve more rapidly towards meeting the goals set forth by Parliament.

As you know, the Osbaldeston report, released in November 1987, concluded that the CSIS Act was basically sound and that CSIS is an important national institution staffed by dedicated professionals. However, after three years, the evolution of CSIS needed the discipline of an action plan to accelerate its transition to a modern security intelligence agency.

The government accepted the Osbaldeston report's recommendations as a mid-course correction for the service, and I hope the member acknowledges that.

I would now like to describe some of the major accomplishments achieved by the government since the act was proclaimed in 1984.

In the area of the internal management of CSIS:

1. The director now plays a strong role in managing intelligence operations; for example, he personally chairs the key internal operational committees.

2. CSIS has adopted a tighter and sharper operational policy on targeting.

3. Deputy directors responsible for corporate management and for human resources and official languages have been appointed in order to improve CSIS's internal planning and accountability process, human resource development and official languages capacity.

4. CSIS has been provided with an adequate budget, brought for the first time to a level commensurate with its requirements and CSIS personnel will be brought together in one headquarters building.

5. CSIS's training academy has been re-established in Ottawa with a range of training programs in both official languages.

In the area of government control of CSIS, ministers have conveyed to CSIS, by formal direction, the following points: The government's national requirements for security intelligence to keep intelligence production in line with the needs of the government. The definition of threats to the security of Canada found in section 2 of the CSIS Act defines the parameters for collection of intelligence. These broad subject areas can be further refined to focus more directly on the intelligence needs of consumer departments. Consumer needs shall, in future, be organized under five national interest areas within which strategic information on threats to the security of Canada may be reported to the government.

This direction sets out five national interest areas: One, public safety; the ability of people to engage in ordinary social activity without fear of harm. Two, integrity of the democratic process; the functioning of those institutions, rights and freedoms fundamental to the political well-being of a democratic society. Three, security of government assets; the responsibility of the government to protect those human, intellectual and physical assets which it manages in trust for the Canadian people. Four, economic security; the conditions necessary to sustain a competitive international position, provide productive employment and contain inflation. Five, international peace and security; the ability of the international system to evolve while avoiding war, containing regional conflicts and minimizing violence.

The directive also specifies how ministers expect a director to be accountable. It gives direction of the general conduct of investigations which includes the principles enunciated by the McDonald commission. The investigative means must be proportionate to the gravity of the threat posed, and the probability of its occurrence. The need to use various investigative techniques must be weighed against possible damage to civil liberties and valuable social institutions.

The more intrusive the technique, the higher the authority that should be required to approve its use. Except in emergency circumstances, the least intrusive techniques of information collection must be used before the more intrusive techniques, and the rule of law must be protected.

Mr. Brewin: Oh, oh.

Mr. Friesen: The member for Victoria takes it lightly, but the government does not.

A direction on the use of human resources, the key principles which are—

Mr. Brewin: You do not even read well.

Mr. Friesen: I do.

An hon. member: Yes, he does.

Mr. Friesen: Sources are to be used when and to the extent that it is reasonable and necessary.

Second, the need to use resources must be carefully weighed against possible damage to civil liberties.

Third, sources must be centrally directed and controlled.

Fourth, sources must act within the law.

Fifth, sources are to be managed so as to protect both the security of CSIS operations and the personal safety of the sources.

Sixth, sources should be treated ethically and fairly by CSIS in terms of compensation and handling.

The Acting Speaker (Mr. DeBlois): One moment, please.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member's time is up unless the House agrees to extend it. Is that agreed?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): Questions or comments.

Mr. John Brewin (Victoria): Mr. Speaker, I will not say anything mean about the hon. member's speech which was, on the whole, very sound. He did it very well.

He said during the course of his speech that the government says that spying is still going on. I want to ask the member how he knows that. Are we expected to buy it just because the government says it is so? Did he read it in *Time* magazine?

We concluded in our report that there is terrorism and espionage, but we were not able to find out the extent of it. Is there sufficient spying to justify $190 million worth of expenditure? How are we supposed to know? The government will not tell us. How does the member know how much spying is going on in Canada?

He says the scheme is working as Parliament intended. What we said in the report was that it was doing fine as far as it went, but it still had a long way to go. Why does the government reject the rest of the road? Why does the member say we should get away with that? Even since our report came down, there have been dramatic changes in Europe. The Warsaw Pact just yesterday was officially disbanded. Maybe the hon. member had not heard that. Maybe he did not hear when the Secretary of State for External Affairs said that we must now treat the Soviet Union as an ally.

• (1200)

There surely is a better way to arrange for affairs between nations than to continue the exercise that this government continues.

In summary, I would ask the member: How do we know how much spying is going on in Canada, how much terrorism is going on in Canada? We worked at it for a year and CSIS and the government would not tell us. How do we know?

Mr. Friesen: These agencies advertise in the local paper, don't they? This is exactly why the Solicitor General reports to Parliament every year on his responsibilities.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I would like to address a question to the parliamentary secretary in connection with one aspect of the government's response to this report.

It relates to the agency called the Communications Security Establishment. In the committee's review of CSIS, it also took the opportunity to cast a glance at what we believed the operations of CSE were. It became apparent to us that CSE operates outside the ambit of any review mechanism. Parliament has no idea of all of the resources and dollars that go to CSE for its work, and we were unable to obtain from the Privy Council Office, which oversees the bulk of CSE's work product, precisely what CSE was doing and how it was spending its money.

This is an agency that was created under the Department of National Defence but its product goes principally to, and it appears that the management of CSE is done mostly by, External Affairs. They would consume the "foreign intelligence signals", intelligence information that CSE gathers.

This is an agency that has, if I read my papers properly and if I read between the lines of what we learned in the committee study, the leading edge of eavesdropping technology, is fully capable of listening to every telephone conversation in the country, and operates without any review mechanism whatsoever. The government acknowledges, generally, that this is so and says that it would like to deal with it and will make an announcement at some point. It refers to putting some procedures in place involving the Department of National Defence.

My question is: What precisely is the government going to do with an agency that now operates outside any of the controls that Parliament purports to oversee now and any that the government purports to have put in place outside of SIRC? What does it intend to do? How is it going to solve that problem involving the rights and freedoms of Canadians?

Mr. Friesen: Mr. Speaker, I think the member has just answered his own questions, in a somewhat contradictory

fashion. On the one hand, he seems to infer that it is beyond review and yet his own committee looked into the matter.

I would point out to him that this is an agency that is under the direction of the Minister of National Defence, and it would be proper to refer the matter to him—because it is properly referred to him. If he is really curious, he could simply read the report that was tabled yesterday, pages 53 and 54, where he will find the answers to his questions.

Mr. Derek Blackburn (Brant): Mr. Speaker, I have a question that I want to put to the Parliamentary Secretary to the Solicitor General. He said in his remarks, I believe it was in answer to a question just a moment ago, that Parliament has SIRC, the Security and Intelligence Review Committee, to report on the activities of CSIS. Yet the special committee found during its deliberations that it was difficult to get a lot of information both from CSIS and also from SIRC because SIRC was forbidden by law to reveal a lot of the information at its disposal.

Indeed, in this morning's *Globe and Mail* there is an article entitled "Official faults CSIS scrutiny". In this article the former researcher for the special committee, that brought forward its report last summer, is quoted as saying: "It proved during the special committee's work that despite its stated wishes to the contrary SIRC was not fully Parliament's man". In other words, he confirms what the committee stated in its report, that it could not get answers that it wanted from SIRC.

Therefore, SIRC, as far as this institution is concerned, as far as Parliament is concerned, is irrelevant because what information does come to this institution, this House of Commons, comes either from SIRC or from the Solicitor General. The Solicitor General has to vet everything that SIRC sends to the House of Commons so that indeed, what information does come to this place is vetted or sanitized by a minister of the Crown.

I put it to the parliamentary secretary: is that democracy? Does that make any sense at all in terms of democracy? Would he not agree that power and responsibility in a parliamentary system comes from the House of Commons, from the legislative branch and is given on behalf of the people of Canada to the ministers of the Crown who are directly responsible to this place exclusively, not to themselves or to cabinet?

Mr. Friesen: I wish that the members of the New Democratic Party, rather than bringing this question forward today had first read the report that was tabled yesterday. He can read on page 68 of the report the answer to his question.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I thank you for recognizing me and I am pleased to have an opportunity to address in debate the motion by my colleague from Victoria.

Before I launch into the body of my remarks, I want to give some credit where credit is due. Credit is due to the relatively large number of individuals who work in the security intelligence establishment here. I am talking about the career men and women in CSIS, the RCMP, and those other agencies that, as far as we can see from our review, have operated and served well and are continuing to do so even in the current circumstances where a significant challenge has been presented to them.

That is not to say that mistakes have not been made. It is not to say that mistakes are not being made. One of the problems we have in this area is that if they are making mistakes, they are apparently not subject to the kind of scrutiny that other government officials would be in such circumstances.

Our committee, the special committee of this House, spent over a year working in this field. It was an intensive study. We operated within a framework that frankly caused a number of restrictions.

• (1210)

Ultimately, compromises were made that permitted us to achieve many, but not all, of our goals as a committee.

We encountered a learning curve. It took us a few weeks to realize that the area we were studying was an area none of us had truly had an opportunity to see previously. It took a while for us to realize that. Then we were able to proceed in our review of this relatively closed field of government activity.

The reason we were asked to do the review is contained in the original statute itself. This Parliament asked other parliamentarians to review this law after five years. This was not an ad hoc committee developed to

review CSIS. It was planned well in advance by parliamentarians who knew and understood that the laws being developed in this area might well need some fine tuning.

The title of the government's response is *On Course—National Security for the 90s*. Well, national security is a combination of security intelligence and foreign intelligence. The title "National Security" is slightly pretentious because it appeared in our review that the whole field of foreign intelligence was kept pretty much away from CSIS, from the RCMP Security Offences Act, and resided for the most part with the the Department of External Affairs and the Interdepartmental Committee on Security and Intelligence within the Privy Council Office. So, we did not have a good look at national security.

One of the recommendations we made, to set up an office of national assessments, as other jurisdictions have done, was rejected by the government. We will not have that balanced, objective review of foreign intelligence and security intelligence that comprises a complete picture of national security.

We have already entered the age of technological big brother. I referred earlier today to the potential for electronic eavesdropping upon all Canadians. Well intentioned, I am sure, but electronic eavesdropping of the most intensive sort. A form of eavesdropping where anything that is said, anything that moves, whether it is audio or video, whether it is an electronic field, can be monitored through walls from distances of miles. I believe that the mechanisms Parliament has put in place, and I think all of the committee believes this, need fine-tuning, need updating. If the government thinks it is moving into the 1990s and ready for the 1990s in this field, it is my view it is doing it with a rear-view mirror. If the government had paid closer attention to the recommendations of the committee it would be much further ahead.

I would like to hope that after the next federal election, the next Government of Canada will be able to pay closer attention to this area.

I want to touch on five or six areas of recommendation that the government failed to deal with. The committee had hoped that the Solicitor General and the Director of CSIS would expand on the areas of ministerial direction. These directions are the framework operating documents that are prepared by the Director and put in place for CSIS as it carries out its work, both for work that involves interests of surveillance and work that is simply analysis.

We had hoped that those directions could be expanded. To give some credit to CSIS, since we made our report one of the more important areas of ministerial direction was created and put in place. That had to do with the definition of the threat mandate. There are many more areas where we had concern and there is still a lot of work to do.

In dealing with review mechanisms, I mentioned earlier that CSE does not even show up on the screen of review mechanisms. The parliamentary secretary said review is referred to in the government's response. Well, the four items referred to as scrutiny, or review, or monitoring are in-house legal counsel from the justice department.

That is not review. That is not supervision. That is not scrutiny. That is not monitoring. Every department in government has a Department of Justice counsel at the other end of the phone. That is a zero.

The second item is that CSE consults frequently with senior officials in the Privy Council Office, the Department of National Defence, and Department of External Affairs. They are the same people that they carry on their work with. That is not supervision, review, or monitoring.

The government says that CSE is subject to internal Department of National Defence administrative review, so is every other government department. The government also says that CSE submits strategic plan and policy proposals for review by the Interdepartmental Committee on Security and Intelligence; that is the Privy Council Office, the people they work with. That is a closed shop, and that is not supervision or review.

Let us not be misled that the government has replied effectively to that question. CSE is not monitored. It is not reviewed, and it is still operating out there without review.

We had a lot of time to look at the operations of the national security investigations directorate of the RCMP and it was our view that when problems or complaints arose with regard to the security work of the RCMP, those matters should be referred to the Security Intelligence Review Committee as a complaint, but that they

should be investigated by the RCMP special complaints commission.

That is not interference with the RCMP. That is simply a procedural consolidation of the complaints process. We thought it would be easier if the public felt there had been an error made and a complaint warranted if it could be made to one location, the Security Intelligence Review Committee.

We felt that the Security Intelligence Review Committee should be able to make special reports to Parliament. It is the organization that works for Parliament, for Canadians. It should be reporting to Parliament whenever it feels the need, whenever it is appropriate.

Instead the law now says that it reports annually. I do not think that is adequate, our committee did not think it was adequate. It should have the ability, the jurisdiction, to submit a report to Parliament for us, for our constituents, whenever it feels so advised.

Government did not accept that recommendation.

We felt in the complaint process that the Security Intelligence Review Committee ought to have the ability to self-initiate a complaint. The government did not agree with that, nor did it agree with our view that a complaint could be made directly to the Security Intelligence Review Committee.

Although I referred to that process earlier, in fact the law requires that all complaints go to the director of CSIS. In other words, go right to the agency that you are complaining about in the first place. We felt there should be a way for a complaint to go to the Security Intelligence Review Committee directly.

I want to talk about the actual parliamentary review. The member for Victoria referred to our study of the review mechanism used in the U.S. Congress and I thought I detected some scepticism from the other side about that study.

• (1220)

In the United States 25 years ago they were roughly where we are now; there was not an effective congressional review of security and intelligence matters. They had some problems 20 years ago, 15 years ago, at the time of the Vietnam war, and some other problems occurred subsequent to that. Legislators there then began to act. The result now is that a standing committee of Congress, a joint committee on security and intelligence, reviews all matters and reviews the appropriations and budget matters for all security and intelligence agencies within the U.S. government.

That, one would expect, could cause a problem; but I am advised by officials, experienced officials including the former head of the Central Intelligence Agency who visited with us, that that process works very well, that there are no leaks, that the security and intelligence establishment actually appreciates the oversight that exists. They appreciate the fact that they know we are looking, the legislators are looking at what they are doing at all times, and that helps to keep them honest. Shedding sunshine on the process has been effective in the United States. That is what we are told.

In terms of a further review here as an alternative to a parliamentary subcommittee which we had suggested, the government replies: "We will take a look at the matter again in seven years", near the end of the 1990s. One way to get through the 1990s is to have a review at the end of it.

Mr. Brewin: They won't be around to hear it.

Mr. Lee: They probably won't be in government then. You are right.

The Standing Committee on Justice and the Solicitor General has a mandate generally to work in this area. While there needs to be further consultation on it, the government has agreed that all committee functions are in the hands of committees. I know it will stand by that. It may well be that the justice committee may choose to set up that subcommittee and proceed with the kind of work that the committee recommended.

We made recommendations dealing with management and employee relations. I mention that because here is an area of Public Service employment where you are cut off, sealed off, from the rest of the Public Service. It is like a little island out in the Pacific inside CSIS. When you are in there, you do not get a chance to communicate very often with other government agencies. Because most of your work, for many of the professionals who work in it, are things that you do not really take home from the office, you are less inclined to communicate in a two-way basis with other people in government. We made recommendations that would assist management

and employees in CSIS to overcome the psychological isolation that they have in doing their work.

Last, I want to address the issue of the appointments to the Security Intelligence Review Committee. We have had reference to the previous set of appointments. The government, in its reply on page 76, says—and it was read here earlier—that government recognizes the need for consultation with opposition leaders regarding appointments to SIRC. Isn't that nice of them to recognize the need? It is not a need. It is the law.

It is stated clearly in the section that there must be consultation. If my memory serves me correctly, the last initiative at consultation involved a letter sent to the leader of one of the opposition parties the day before the appointment. The leader did not even get the letter. That was explained to me in a letter from the Prime Minister as being consultation.

I drafted a claim in a lawsuit in court. I sent it to him and I said: "This is in my characterization of the effectiveness of your consultation process". I took no further action on that because I had hoped that the government might respond a little more fully in its reply to the CSIS review committee's report. It has not. I am disappointed in that and I am disappointed in the page 76 trite, light, wimpy discussion of that issue. I want Parliament to know that more work is going to have to be done in that area.

As we finish this debate and as we deal with it in a procedural sense, we are cutting loose this whole area, this committee report, the five-year review contained in the statute. We are sending it on. We are walking away if we do nothing further in the way of renewal or refining of the institutions that should be there.

Given the government's response, as thin and light as it is, there remains much work to be done in this area. I am hopeful that the justice committee will carry on with some of these recommendations. I urge adoption of this motion by all members and all parties in this House.

Mr. Derek Blackburn (Brant): Mr. Speaker, I welcome the opportunity to participate in this debate this morning. I do not intend to take my full 20 minutes, as I know there are two others who would like to make a contribution as well.

I do not wish to reiterate the very excellent arguments that my friend and colleague from Victoria presented at the outset of the debate this morning in moving the concurrence motion. Rather, I would first of all like to speak in more general terms with respect to secret intelligence organizations, secret agencies and the secret world, itself, in a democracy, and the place and responsibility of those agencies in a democratic society.

I know that perhaps to some extent we are all captives or many of us are captives of current literature in the field and sometimes we are swept away by fiction as opposed to fact. But the facts still remain that most if not all countries, whether totalitarian or democratic, do have and indeed need secret intelligence services in order to keep them apprised of any threats or potential threats to the security and safety of the state. That goes without saying. We are not arguing, obviously, whether or not we should have a security and intelligence service. The crux of the matter surely is that service's place in our society, how it operates in our society and to whom it should be ultimately responsible.

I would argue this morning, in view of the Solicitor General's total rejection of the 117 recommendations of the special committee, that the ultimate authority for establishing CSIS was and still is the House of Commons and therefore CSIS is ultimately responsible to the House of Commons, its maker. That is theory but that is also practice. If we are to retain the basic precepts of democracy in a parliamentary system, all government agencies, whether it is the CSE or the intelligence networks of DND or the External Affairs Department or CSIS, or indeed SIRC, all must be ultimately responsible to Parliament.

How do we go about facilitating that relationship and that ability to be responsible to this Chamber? Obviously it would be cumbersome. It would be indeed impossible to force an agency such as CSIS to be responsible to the entire House, or to come before open committees of this House and present arguments or counter-arguments to questions put to it, or to justify its budget perhaps, or to justify its actions. But surely one way, a way in which our colleagues to the south of us in Washington have found an answer and have set up a system, is to have an oversight or a review committee of this House meeting, no doubt most of the time but not all the time *in camera*, and charged with the responsibility of maintaining confidences and having adequate research staff and advisers in order to facilitate its work. Then CSIS could be directly responsible to an appendage of this House or

part of this House, which would be that all-party committee.

• (1230)

That all-party committee would have horrendous responsibilities. There is no question about it. It would not be a normal type of committee, but it would be a vital link and it would keep alive that very important relationship in terms of accountability and responsibility.

A government agency—in this case CSIS—responsible to a minister, yes, but also responsible directly to the body that created it and that is responsible for it, namely, a special committee of this House of Commons.

American congressmen in the House of Representatives, and indeed the senators, have already gone ahead and established such review committees. The committees have not in any way infringed upon the operations or the operational integrity of such organizations as the CIA or the National Security Council and the various military intelligence organizations or intelligence gathering organizations in that country.

Yet, in his response, the Solicitor General when he tabled his report yesterday, thoroughly rejected the idea that we should set up a special subcommittee in this House for that very purpose.

I am very disappointed because of that lack of sensitivity on the part of a cabinet minister in a very sensitive area. Yet, on page 77 of that very report, *On Course*, subtitled *National Security for the 1990s*, the Solicitor General writes: "To refuse to discuss national security issues publicly with Canadians is to encourage mistrust and ignorance".

That is the problem we are faced with this morning. We have a minister who recognizes that to deny public access to the workings of his department, specifically CSIS, is to encourage mistrust. That is exactly what he says in his report. On the other hand, he denies the very access that we are seeking in this House, that is the special committee. I do not understand his logic or indeed his lack of logic.

I could speculate that the Solicitor General has become a captive of his officials, that his deputy and the director of CSIS have said: "No way',' and the minister has had no choice but to go along with his senior officials. He has agreed with them. If my speculation is correct, that is indeed regrettable, and I am putting it very mildly when I say so.

Experts on the subject of secret intelligence organizations generally agree that upwards of 80 to 90 per cent, if not more, of the work that those organizations carry on is in fact not secret. The reason they insist on retaining the wall of secrecy around them, they meaning the officials within those bodies, is simply self-promotion. It is survival.

If you remove the emperor's clothes, he is no longer an emperor. If you remove the secrecy or a lot of the secrecy, the aura of secrecy disappears and it becomes just another agency of the Crown. Therefore it is doubly difficult to get appropriations and the proper funding.

While I am on that subject, I should insert here that CSIS is one of the few government agencies that for the past five years since 1985-86 and on into 1990-91 has consistently increased its funding with an average of 14.4 per cent a year. No doubt, this afternoon when the budget comes down, we will not see any decrease in that apportionment of public funding.

Yet, when we stand in this place or in a committee where we should be asking questions about the financing and funding of CSIS, we are told that they cannot give us the answers unless we are *in camera*. Even then I doubt whether they would give us specific answers to specific funding questions because it is contrary to the act.

I was here in the early 1980s and it was not the intention of Parliament at that time to prevent us from finding out in general ways what the Solicitor General, the deputy solicitor general and the director of CSIS were all about not in terms of specific operations, but in terms of policy and funding.

For what purposes were Canadian tax dollars going and were they going appropriately, honestly and fairly toward the legal execution of the duties of CSIS itself? We cannot find that out. We have no way of knowing whether or not public funding is not only wisely spent in CSIS, but that it is effectively spent. Every time the director comes back with his proposed new budget, it is all worked out in secret and in private. We have no input, but worse than that we have no say. We cannot reduce

the budget and we cannot even ask why the money is being spent and for what purpose.

I also want to refer to another aspect of this which has already been dealt with this morning, that is the choosing process of members of the review committee. I do not know any of these people personally, although I believe one is a former member of the House of Commons. I have never met Mr. Bassett. I do not know what his capabilities are. The record to date certainly raises eyebrows, but that is as far as I will go; I will leave it at that. The process of choosing Mr. Bassett was totally unacceptable and, as has already been stated, it was not a result of consultation. It was take it or leave it. Even at that, we were apprised of the appointment after it was made and had no way of effectively opposing it in any way.

To choose a person for such an important office, to chair the Security Intelligence Review Committee which is charged with very serious responsibilities, to allow that choice to be done in such a haphazard way and to go to a party hack—and there is no other way of putting it; Mr. Bassett may have many fine attributes as a gentleman and as a human being, but he is a strong, and always has been, partisan supporter of the party in power—this is not the kind of person that calls out for that kind of appointment. It should be somebody in my view above politics, somebody outside the political arena, somebody who has a gift for that kind of office. It is very important that the head or the chairman of SIRC be seen to be totally removed from the political scene, and that did not happen.

There are several other aspects of the special committee's report that I could expound upon this morning, but I realize that time is limited and that there are two other members of the House who wish to speak. I do, however, in closing also wish to comment very briefly on the committee's recommendation to delete section 2.(d) in the definitions section, specifically the definition of subversion.

In a democracy we not only tolerate, but indeed promote healthy, lawful descent and controversy. We should not be afraid of it. We should stand up and accept it, argue with it if one wishes or support it, depending on which side of the argument one happens to be at any one time. But that kind of activity has been in the past and continues to be interpreted by some individuals as being, if not subversive, at least borderline. The physical approach that the police and CSIS and other organizations, the RCMP for example, take in terms of demonstrations and marches, no matter what the purpose is for, is such that they are all suspect. The cameras come out, pictures are taken and are put away in some folder or filing cabinet or put on microfiche or something, in case somewhere down the line they may wish to withdraw those pictures and say: Ha, ha, so–and–so was at that demonstration at that point in time. Therefore, now we really suspect that he or she may be a subversive individual depending on the circumstances.

• (1240)

An hon. member: You should see your file.

Mr. Blackburn (Brant): Somebody has just said: "You should see my file". It is probably half a foot thick by now, I do not know. I have not been very active in street marches for a number of years, but it may be away in some dusty file some place. I hope it is. In fact, I hope some day I have a chance to look at it to find out just what a horrible person I am.

Mr. Speaker, I am going to close. I am profoundly disappointed in the Solicitor General's approach in answering the very excellent report of the subcommittee. His response, *On Course* is not acceptable as far as I am concerned. I sincerely hope that in short order we will take a different attitude towards CSIS and look upon it more or less as just another agency of the Crown which does bear scrutiny by a special committee of this House to make certain that the committee knows what is going on. Indeed, CSIS will have the advantage of having the security of knowing that members of the House of Commons do know what they are doing and therefore it is acceptable.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, it is a privilege to rise and say a few words with respect to the government's official response entitled *On Course* which members know is a response to the committee report entitled *In Flux*. It was a unanimous committee report to which the government has now responded.

I can understand the frustrations of members. Our document had over 100 recommendations and the gov-

ernment has not come out with a chart responding exactly to every one of the recommendations that we have made. I want to say that I am still proud to have been a member of that committee. I believe that members of the opposition, who were mostly new members of Parliament, should be and can be immensely proud of the contribution they have made. I do not say that lightly because it needs to be seen in the context.

Many of us remember the pre-1980 regime that had gone on since the beginning of Confederation where the security issues were developed within the RCM Police. There was virtually no public accountability at all. Indeed, most members of Parliament did not even know what the CSE was, the Canadian Security Establishment, in the latter years. That was the way the system worked through all the many years before 1980.

As a result of events in Quebec and the McDonald commission, a new regime came forth and it became law in 1984. That regime really did provide a lot of accountability, primarily through an independent agency called SIRC, which has members of all three political parties. That was felt to be the primary mechanism to hold the civilian agency accountable.

We found in our group that in fact has worked very well. But again I really want to take members back to the point that the system has incrementally been getting better and better. There has been more and more information made available to members of Parliament, to the SIRC committee, which as I say, has representatives from all three political parties, and which does a tremendous job day after day. We members of Parliament become so busy and occupied with the many other pressures in our lives, we cannot put the time into that which we might like to and what the topic deserves. That is why our committee really felt that SIRC was an excellent agency and deserved to continue on.

With respect to the government's response, I think that the most important part of it is that for the first time we have a document that is available to every Canadian who wants to have it, with its major authoritative setting out of the whole area of security. Anybody who reads this document will know all of the players, they will know the mechanisms for control, accountability and responsibility. That in itself is very powerful information for people to have. As a result of my experience here in Ottawa, I am firmly of the view that if an agency or a government gets out of line, brown paper envelopes are very quickly leaked. Given the number of civil servants, the number of photocopy machines, one just cannot get very far out of line. Information gets out. As long as the opposition is vigilant and the standing committee on justice is vigilant, these things can be raised.

We have a vigilant media in Canada. Not only are they vigilant, but some members are very knowledgeable, indeed, experts in this area of security and intelligence. We have an ever-increasing body of researchers and academics who now have their own association called CASIS. They are very sophisticated, operated by fine women and men. So I believe it is impossible for the same mistakes that the RCMP made to occur again, that certainly on a broad basis information will get out.

Just that in itself, to my mind, makes the review that we conducted in 1990 worth it. But there are other advantages and I suppose the other most important was that the government has accepted the fact that there should be another review in 1998.

I know from the evidence we received from all the major players in the security intelligence field that they felt a parliamentary review was like the sword of Damocles over them. They really did have some fear and apprehension about coming before us because we do represent this whole Parliament. However, for the most part, I think our committees do very good work in that area.

The annual reports that the minister and the director have to give to Parliament directly is a major step forward. It lets the justice committee have another avenue to get the minister before the committee and ask specific questions. The last point I want to make is that it will really depend on us as members of Parliament. This Parliament has all sorts of committees. While I do not sit on the committee for disabled Canadians, handicapped Canadians, I trust that my colleagues on that committee are asking the right questions, are taking that area of our public life and advancing it step by step just as we who had the responsibility to do the security review. We were successful in getting more information out to the public. We have incrementally increased the knowledge that Canadians and our fellow members of Parliament have.

To my mind that is the whole system. That is the way that democracy works. It is slow. It is tedious. We all sit for hundreds of hours on these committees and get absolutely no political credit back in our own riding in terms of votes. However, it does strengthen the public life of the nation and it does hold our bureaucrats more and more accountable. We all agree, including the bureaucrats, that accountability is the secret. It is a day by day, step by step building of the system.

I think the other major advantage of having gone through the process is that we have built the confidence level. It was most interesting when we started and the CSIS people were coming before us. You could see they were really nervous, perhaps to the point of being scared that the national security of the country would be somehow jeopardized by this committee. They do have an important role and we all recognize that we need to have security.

The world is not a playground. It is not an area where people are honest and straightforward. There is a lot of information that needs to be kept secret. We all recognize that. But they were somehow fearful that the whole system was going to collapse. The fact of the matter is the system has not collapsed. This is a result of very responsible conduct on the part of the members of the committee, both the government backbenchers and the opposition members.

As that process went on throughout the year we could just feel that they were prepared to share more and more information. We received some confidential briefings, the information from which has been held confidential and will always be held confidential because none of us is going to subvert our country just for the sake of a question in the House of Commons, or some narrow advantage to us personally, or our party. People do not work like that.

• (1250)

We found that was much more the case in the United States where, over a period of years, they had built confidence levels so that their elected congressmen had more information than we did.

It is true that the two systems are a bit different. A congressman in the United States system has more individual accountability back to the nation. They have an obligation, constitutionally, to make sure the government continues to operate. In our system, we are little different simply because the cabinet has to be chosen from this House and to be accountable to this House.

If the Prime Minister was elected separately and could choose the cabinet from all of the people in the country, that would be a different type of body. We would then be pure legislators and would have an obligation to make the system work; whereas here, there is not that same obligation. The opposition's objective is to point out all the defects of the government, but as well to try and bring the government down by way of a whole series of non-confidence motions.

If opposition members got secret information that could be damaging to the government, they would be in a very tough position and I think would almost have to reveal that information, because they have an obligation to bring the government down under these non-confidence motions.

That was what we debated. It is a troubling issue, and there is no easy solution.

I think we should move to a bit more of a congressional form of government, because I would like to be known as a legislator and I would like to be able to be held accountable by my own electors for how I stood on the issues. It would get away from a lot of this partisanship; we would then be working across party lines. There would be lots of times when I would be voting with the opposition, and vice versa.

I think that would be good for our country, but for other reasons.

Mr. Boyer: Agreed.

Mr. Thacker: The last point I want to make, Mr. Speaker—because I want my friend opposite to have the last few words—is that the opposition parties can do a lot with this report, if they are unhappy, by developing their own positions with respect to our document *Influx* and the government's response. If they could prepare a detailed reply, they could take it their caucus, to their shadow cabinet, and get their approval to say that "if we are the government, this is exactly what we will do".

I would advise them to do that, if they feel very strongly about it. What they will find is that when and if they become the government—I think some time around the turn of the century, perhaps—

Mr. Boyer: Don't rush things!

Mr. Thacker: Their cabinet ministers, when they become part of the executive council, take on a different constitutional role, take on a different hat and have very different responsibilities. They have sworn special oaths of secrecy. It is amazing how quickly it makes them much more responsible—and much quieter, if I can put it that way. It is more difficult to get responses out of them because of the constitutional obligation that they have. I have noticed that many times.

It is the same with access to information and privacy. It was amazing the number of cabinet ministers who before, when they were in opposition, were very gung ho for freedom of information, but when they got to cabinet and got this constitutional responsibility—and also got a little bit more information on both sides of the issue—became much more reticent in their support for freedom of information.

Thank you, Mr. Speaker. It is a privilege to have been able to chair the committee. I once again thank the members for sitting on it because I believe that, collectively, we did do a good job. And I believe on an incremental basis, by 1998, our successors will look back and say: "They did a good job."

Thank you, members, for serving on that committee.

Mr. George S. Rideout (Moncton): Mr. Speaker, in the limited amount of time left, I did want to make a few comments because I had the privilege of working on the committee. It was a good committee under the chairmanship of Mr. Thacker and it worked very well.

There were unanimous decisions on almost every point and it was a unanimous report. I think to a degree, what is a little upsetting in the final result is how the government has treated a hard-working committee's unbiased and unanimous recommendations. There were 117 recommendations and by my quick count I think the government responded to one and a half out of the 117. I do not think that, quite frankly, is the proper approach.

The other interesting thing is we have matured in this country as far as CSIS is concerned. When the agency was first formed in 1983–1984, there was a large hue and cry about the land. That is not the case now, nor was it as the committee did its work. There were constructive suggestions from a number of individuals, but there was not the concern that existed in 1984. So with that in mind, I think the committee came up with the proper balance. The key element that came out of the report, which the government has chosen to ignore, is the one dealing with oversight.

Mr. Speaker, I would refer you to recommendation 108.

> The committee recommends that the function of the subcommittee be to review the budgets of security and intelligence organizations with a view to providing reports to such committees as the House of Commons may determine and to review the work undertaken by SIRC and the Inspector General and to undertake reviews of a general nature—

That is a very positive recommendation and will go a long way, not only to protecting Canadians, but also to protecting the organizations that would be within the spectre of this review because they would have the benefit of parliamentary oversight.

It is shocking to look at the Estimates and see that this department has spent roughly $200 million over the last year and all we know is that it is a one-line item in the Estimates. That, quite frankly, is unacceptable. There must be more parliamentary involvement in that process. We should not allow $200 million to be spent and not have any idea where it went. Did it go for employees, for buildings, for equipment? What was it utilized for? Parliament has no idea at all.

In the United States, for instance, they have two oversight committees, one each in the House of Representatives and the Senate. They do check to see where the money is spent and whether they are getting a proper expenditure of funding rather than a cursory examination of funding.

We have heard it said time and time again that about 95 per cent of the information these agencies gather comes out of newspapers and 5 per cent is secret. If that is the case, I do not see where an oversight committee would be of that much harm to the organization.

Additionally, another important recommendation was to have SIRC actually review all of the agencies involved in security intelligence, not just CSIS. That was in Recommendation 87 and that becomes very essential.

However, parliamentary oversight is more critical because of what this government has done in the appointment process of SIRC. John Bassett's appointment, in effect, sullied the whole operation of SIRC. It is absolutely necessary that parliamentary oversight be provided, and provided so that Canadians have confidence in what is actually taking place.

We must remember we are dealing with human rights here, and we are dealing with intrusions into people's private lives. In those circumstances, we must be most vigilant. If you politicize the agency that is actually going to be checking on CSIS, by politicizing the appointment process, then you really are putting human rights in jeopardy. That is why parliamentary oversight must occur. That is why, I am sure, most members of the committee, including government members, were concerned that that recommendation was not picked up in the Solicitor General's response.

I think, too, that the whole committee system in Parliament is now under threat or on trial here. There is an obligation to respond to committees and to enact at least in part, what has been done by these hard-working committees. To be treated in this cursory way is unsatisfactory.

I know that my time is going by. In conclusion, I would like to say that maybe the justice committee should take the suggestion of the chairman of the committee and enact a parliamentary oversight committee in spite of the government. I hope that can be achieved.

The Acting Speaker (Mr. DeBlois): It being one o'clock, I do now leave the chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

AGRICULTURE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I rise today to urge the federal government to provide assistance to Canadian farmers on Prince Edward Island who are affected by the United States' decision to its their borders to a majority of Prince Edward Island seed potato stock.

I call on the government to compensate those farmers affected by this ban, to provide assistance in the efforts that will be required to eradicate the disease, to clarify with the United States exactly what it considers to be acceptable for certification procedures and customs standards.

The federal government must also assist in efforts to reaffirm Prince Edward Island's well known reputation as the number one producer of potatoes in the world.

I am confident that if the federal government is willing to provide the necessary assistance, the potato industry in Prince Edward Island has the potential to emerge from this problem stronger than ever.

The federal government's failure to act is increasing the anxiety within the potato industry. Farmers deserve to know where they stand. We need action now.

* * *

HEART MONTH

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, I would like to take this opportunity to speak from the heart to all members and remind them, and Canadians, that February is heart month.

Cardiovascular disease is the main cause of death and a major cause of disability in Canada. Over 70,000 Canadians die from this disease every year. Many of these deaths are preventable by adopting healthy lifestyle habits such as good nutritional habits, physical activity and not smoking.

Control of high blood pressure and diabetes is also important. I am pleased to note that the Department of National Health and Welfare, in collaboration with the provincial departments of health, has launched a Canadian heart health initiative to help reduce the burden of cardiovascular disease.

For the heart, in my own riding of London—Middlesex, there were 3,000 volunteers canvassing for the heart and stroke foundation, raising a total of $244,000 reaching their goal, the biggest and best ever.

On March 1 in London there will be a luncheon, a soup kitchen, at the Century Theatre. One hundred businesses are donating to this cause. There will be a cookbook to help all of our healthy hearts by Ann

Lindsey and the Heart and Stroke Foundation called the *Light-hearted Everyday Cookbook*.

All Canadians should take part raising money and providing a healthy future for all of us.

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SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, in 1986, the Conservatives caved in to pressures from the United States government and signed the Softwood Lumber Tariff Memorandum of Understanding.

This tariff, together with the government's resource management and economic policies, have cost this country thousands of jobs in the forest industry, particularly in British Columbia and northern Ontario.

This Thursday, the trade minister will meet with Premier Vander Zalm who, on the day the MOU was signed, declared that it was a "great day for British Columbia."

Given the American administration's refusal to renegotiate the MOU, it is time for this government to say clearly that it now opposes this agreement and will take immediate steps to terminate the Memorandum.

We wish the minister success in trying to convince the Vander Zalm government to join with the Ontario government and New Democrats across the country to fight this regressive deal.

* * *

COMMUNICATIONS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, weekly newspapers are the backbone of the communications system of rural Canada. This is why, for years, the Government of Canada has supported through subsidization the distribution of what are called community newspapers.

Last year, the Department of Communications announced the withdrawal of a substantial amount of that subsidy. Unfortunately, this information failed to reach many weekly newspaper publishers who sold yearly subscriptions last fall on the assumption that there would be no significant change in postal rates for 1991.

In December, notice came of massive proposed increases which, quite frankly, caught a lot of people off guard.

Indeed, the extent of the increase, combined with the removal of the subsidy from communications, places the future viability of some papers in question.

We need our community newspapers.

I urge the Minister responsible for Canada Post and the Minister of Communications to see what can be done to delay or ameliorate the new rates for community newspapers in order that those affected can properly prepare for the financial impact of these inevitable increases.

* * *

THE ENVIRONMENT

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, once again the United States is considering oil exploration and development in the heart of the Arctic wildlife refuge in Alaska.

The Arctic wildlife refuge along with the coastal plain and Canada's North Yukon Park constitutes the greatest most productive intact arctic ecosystem in the world. Oil development in the area will definitely jeopardize that ecosystem, and for what? For about 200 days worth of oil supply.

The Arctic National Wildlife Refuge is a calving ground for over 180,000 caribou which provide the basis of the economy of aboriginal communities in Alaska and the Yukon. The herd is also the largest in the world and a unique and priceless resource to all Canadians and Americans.

In July 1987, Canada and the U.S. signed the international agreement for the conservation of the porcupine caribou herd. The agreement calls on both countries to conserve both the animal and its habitat.

The Secretary of State for External Affairs has been an advocate for the preservation of these lands and I urge the government to continue its opposition to the development of these lands which could forever destroy a priceless heritage. I further urge the Prime Minister to notify President Bush that the United States could be in violation of the intent of this international accord if development proceeds.

S. O. 31

[*Translation*]

GOVERNMENT AID

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, speaking at the closing lunch of the Canadian Pulp and Paper Association's convention in Montreal, Mr. George Petty, president of Repap, accused John Crow, Governor of the Bank of Canada, of being downright stupid, adding that Crow was on the warpath, aiming his high interest rates at entrepreneurs and workers alike.

According to the *Journal de Montréal* of February 2, 1991, what George Petty conveniently forgot to say was that in 1986, 1987, 1988 and 1989, his company did not pay a cent of income tax on total profits of $509 million! On top of that, the company received $407 million in government assistance during that period, including $330 million in the form of investment tax credits and $77 million in subsidies!

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[*English*]

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, Canadians by now have heard a lot about global climate change. After studying this threat, the environment committee last fall urged the government to take action to reduce one of the main causes; carbon dioxide emissions. Over 700 scientists from 120 countries at the Second World Climate Conference also called for immediate action. Despite the significant scientific evidence calling for reductions of carbon dioxide, all this government plans to do is to freeze emissions at 1990 levels by the year 2000. This falls far short of the recommendations by the scientific community.

The fact of the matter is that without a long-term energy policy, this government is incapable of responding to the climate change threat. Unfortunately, there is no leadership despite all the proclamations at home and abroad by the Prime Minister. This government is retreating from the responsibility of governing, unfortunately.

THE ECONOMY

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the finance minister is about to present us with a hologram budget. It is a vision of make believe that Canadians will see right through. The devastating combination of high interest rates, high dollar and free trade has forced the elimination of at least 1,500 manufacturing jobs in Hamilton and area; companies like Camco, Dare Foods, Stelco, Greening-Donald, Canada Wire and Cable, Nabisco, Ball Packaging, just to name a few. This year, job losses have swelled the welfare case load in Hamilton-Wentworth by 46 per cent over last year.

We say job prospects are bleak. The Minister of National Revenue tells us there is nothing to be concerned about, that businesses are expanding. Well, I wonder if has spoken to his own brother, Henry Jelinek, Jr., who has decided to expand his Ontario manufacturing plant, not in Oakville but in the United States—

Some hon. members: Shame.

Mr. Keyes: —saying that all future hirings will take place in the state of New York.

* * *

CANADIAN INSTITUTE FOR RESEARCH ON CULTURAL ENTERPRISES

Mr. Ken Hughes (Macleod): Mr. Speaker, the people of Macleod have been calling for restraint in government spending since before I was elected in 1988. We continue to call for more cuts. That is why I and so many of my constituents are so offended by a recent announcement by the Minister of Communications to create a Canadian Institute for Research on Cultural Enterprises.

• (1410)

This elitist, cosy, so-called cultural research institute will cost $45 million and is an insult to the common sense of the average Canadian, creating yet another subsidized lobby group to add to the clammer for government funds, will not help the deficit, nor will it help Canadian culture.

I call on the Minister of Finance to reduce the budget for this department by at least $45 million.

Some hon. members: Hear, hear.

* * *

TRADE

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, this government's handling of the North American free trade issue gives all Canadians real cause for concern. Canadians have questions that need to be answered.

Does this government have any understanding of the implications the deal will have for ordinary Canadians? Apparently not. It has yet to release any detailed economic analysis.

Does this government have any idea what our negotiating position should be? Apparently not. One day the trade minister tells us that the free trade agreement will not be affected by any new deal and the next day he says there may have to be changes to the free trade deal.

Does this government realize that the Canadian public must be consulted on a potential North American deal? Apparently not. Although the start-up date for negotiations is fast approaching, the government shows no inclination to get any direction from ordinary Canadians.

Does this government have any idea what it is doing to Canada's trade and economic future? Apparently not.

* * *

COMMUNICATIONS

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, the readers and publishers of rural and farm weeklies are about to find out exactly what free trade means to them. The Minister of Communications, who found $45 million for the cultural enterprises debacle in Montreal, is now axing the distribution assistance for weekly newspapers. As a result, on Friday, March 1, Canada Post is to increase postal rates for farm and weekly newspapers in Canada by up to 700 per cent. Weeklies like the *Western Producer* and the *Shellbrook Chronicle* have played a crucial role in the economic and social development of rural Canada, but this government wants to put them out of business.

That is not the Canadian way. Rural members of the Tory caucus who have been home in their constituencies all know how people feel about this issue. They know that the Minister of Communication is costing them votes. Therefore, I call on them to have enough courage to get this un-Canadian policy changed.

* * *

COMMUNICATIONS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, in my corner of rural Nova Scotia, the weekly community newspapers play a very important role. *The Oxford Journal, The Citizen, The Truro Weekly* and the *Springhill Record* protect and encourage the very fabric of our way of life.

Proposed postal rate increases for the community newspapers will increase their mailing costs for some papers as much as five times the previous rates and these smaller newspapers just simply cannot absorb it. Another problem is that although the increases were announced in the Gazette, many of the newspapers are just now realizing the impact on their businesses and require more advanced notice.

Collectively, these newspapers have asked that a two stage approach be taken to address this issue. First, that a scheduled postal increase be reduced and, second, that the resulting increases be phased in over a period of time with adequate notice so that they can adjust their rates and notify their customers accordingly.

I strongly support this position and urge the ministers involved to work with the industry on this issue.

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CANADIAN SECURITY AND INTELLIGENCE SERVICE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, yesterday the Solicitor General tabled the government's response to the report of the Special Parliamentary Committee to Review the Canadian Security and Intelligence Service Act.

That committee reported in September last with a unanimous report containing 117 recommendations. Of those 117, the government has accepted only two.

This is disappointing to the members of the committee. It should also be disappointing to this Parliament. However, many of the committee's recommendations can still be implemented by the Solicitor General, by

CSIS, by the Security Intelligence Review Committee and by other agencies within the security establishment.

The Solicitor General has committed himself to making an annual report to Parliament on this subject and Parliament's concerns in this area are clearly set out in the original report as a touchstone for updating and reform.

Notwithstanding this failure of the government to fully and fairly respond to this parliamentary report, all members of Parliament and this committee and the committees of this House can, and we hope will, preserve the many unfulfilled goals of this report in the time that remains in this Parliament.

ORAL QUESTION PERIOD

[*Translation*]

POVERTY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Prime Minister. Not only are the Tories poor managers of our economy, they are poor managers without compassion. During this Prime Minister's two terms there has been economic growth throughout the world.

If the Tories were so good at managing the economy, why are more than one million children living below the poverty line? Why do 250,000 Canadians need help to find shelter? Why do the majority of native children live below the poverty line? Why do more than 500,000 Canadians have to use food banks every year? Why, Mr. Prime Minister?

[*English*]

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I think that on this side of the House we can stand proudly on our record on the economy over the last six years.

Some hon. members: Hear, hear.

Mr. Loiselle: I am personally very proud to be part of the government that has created more jobs than any government in the past, that has caused the economy to increase faster than any other government in the past.

That being said, I would like to tell the hon. member also that the number of people below the poverty line has been reduced considerably and the wealth of this country has been increased considerably.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Prime Minister should realize that the victims of the Tories' poor management of the economy are not just statistics but real people.

I would like to ask the Prime Minister whether he is aware of the fact that in Saint-Henri, the average life expectancy is 11 years less than it is on the other side of the track, in Westmount. Is he aware of those statistics? And is he also aware of the fact that 99 per cent of poor children never go to college or university? After six and a half years in power, is the Prime Minister proud of his record as far as Canada's poor are concerned?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): To hear the hon. member talk, Mr. Speaker, one would think her party had never been in power. I may remind her of the deplorable state of this country's economy when we came to power in 1984. It was terrible!

That being said, we realize there are still pockets of poverty in this country. And that is why it is so important to work together to increase the wealth of this country. However, every time we tried to do so, every time we wanted to take steps to reduce the government's presence and leave more room for business and small businesses, all we got from the opposition was opposition, nothing else.

This government is determined to improve this country's economy and its prosperity, for the benefit of all Canadians.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, perhaps at some point in the next few months this government is going to start taking responsibility for its agenda.

Some hon. members: Hear, hear.

Ms. Copps: Last January when we were out consulting with the people we heard, for example, that a mere two blocks from Parliament Hill a soup kitchen serves 80,000 lunches a year to people who do not have enough to eat. That soup kitchen was not doing business at the time

that the Liberals were in government. They are doing business now and they are doing a business of 80,000 lunches a year.

Some hon. members: Oh, oh.

Ms. Copps: Well, perhaps if you took the time to consult, you might hear what the people are saying about the situation in 1991.

Three out of five single mothers in the province of Manitoba live below the poverty line. If the government's economic agenda is so good, why are the facts on poverty so devastating? If the government's economic record is so good, why are there so many food banks, so many homeless, so many welfare cases, why so many poor Canadians?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to give to the hon. member certain numbers that will help her understand the road that we have taken since 1984.

Let us start with Newfoundland where employment has grown by 18.5 per cent from 1984, your regime, to January of this year, our regime.

• (1420)

If you go to Nova Scotia, there is an increase of 13.3 per cent employment; New Brunswick, 17.4 per cent from your regime to our regime. I could down the list: Ontario, a 12.4 per cent increase; Manitoba, a 6.4 per cent increase; Alberta, 11.9 per cent; British Columbia, a 21.4 per cent difference between your management and ours even in a time of recession.

* * *

THE ECONOMY

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, my question is for the Minister of State for Finance.

In discussing interest rates, the government never mentions the fact that the difference between U.S. and Canadian interest rates has remained at unprecedented high levels over the past year. At four percentage points the continuing spread is contributing to an overpriced Canadian dollar, which resulted last year in the decline of Canadian exports to the United States of $1 billion.

How can the government seek to promote Canada's international competitiveness when the spread between Canadian and U.S. interest rates remains unchanged, when the government's high dollar policy is undermining our export industries?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, my colleague, the Minister of Finance, the Prime Minister and others in this House have indicated the importance of reducing the interest rates.

We have indicated to the opposition party how we were working at bringing the interest rates down. The result of our policy is that over the last two months interest rates have gone down by 200 points. This is not rhetoric; these are facts.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, evidently the minister did not understand what I was asking. I am not saying that the interest rates have not come down. I am saying that the spread between Canadian and U.S. interest rates has not diminished. Canadian interest rate reductions have been tracking U.S. interest rate reductions.

The problem facing Canadian industry, Canadian exporters, is that that spread has remained the same for the past year. We are rendering ourselves—

Mr. McDermid: That is totally wrong.

Mr. MacLaren: It is not wrong. The spread has dropped from only 5 to 4 per cent and is still at an historically high level. When is this government going to bring down that spread so as to give Canadian exporters the opportunity they deserve to participate in world markets?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, it is indeed very important that we get these interest rates down. I take the point made by the hon. member that there is indeed a spread, but this spread is there because of the pressures.

We have been trying to explain to the hon. member that this country has been living under higher pressure than the United States. Our monetary policy was addressed a year ago. In this House I indicated to members that we found that demand was too high. The economy was slowing down but Canadians were still buying and buying. Demand was going up and we said: "This is very dangerous. We are living beyond our means". Every time we wanted to bring our contribution fiscally and otherwise to reduce this, we never got any support from the opposition parties. Far from it; all of our measures were refused.

This is the result of our policy. Interest rates are coming down and the gap is narrowing.

* * *

GULF WAR

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Iraqi troops are now withdrawing from Kuwait, and yet President Bush has decided to pursue the war and to reject every proposal to bring this war to an end. I think Canadians would like to see the Prime Minister stand up and give an opinion on behalf of Canada and not simply echo the U.S. position.

Today the Prime Minister made a statement that he would like to see the Security Council hold a meeting to discuss compliance of Iraq with the resolutions.

I would ask the Prime Minister, in addition to that, will the government also support a cease-fire which can be monitored by the United Nations and support that cease-fire immediately? By any standards the war is won. When is enough enough?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, enough is enough when an aggressor nation indicates once and for all that it is going to honour all of the resolutions of the UN Security Council.

Some hon. members: Hear, hear.

Mr. Mulroney: Iraq's Ambassador to the United Nations was asked at 12.30 today whether or not Iraq intends to honour all 12 resolutions of the Security Council, and his answer was no. He said: "Some of these resolutions may be invalid. We have our own reservations. Some of them lend sort of themselves to different interpretations. So we really have to take it step by step."

All members of the coalition, from Denmark to Great Britain to the socialist Government of France, today said the position put forward by the Leader of the NDP is unacceptable.

Hon. Audrey McLaughlin (Yukon): I have a supplementary question for the Prime Minister. At least, Mr. Speaker, the NDP has its own position and not just one that it copied from George Bush.

[*Translation*]

Mr. Speaker, all witnesses say the Iraqi army is withdrawing en masse. My question is still directed to the Prime Minister.

Will the Canadian government support the ceasefire to allow the withdrawal of Iraqi troops under UN surveillance?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the hon. member for the New Democratic Party stated that the NDP has its own specific position. And indeed it does. It is practically the only party in this country and the only socialist party in the world that is taking this position. In France, they were saying this morning that France was favourable to putting a stop to the hostilities, provided all Security Council resolutions were strictly observed. However, it did not want to run the risk of dilatory manoeuvres at a time when its soldiers were engaged in combat. France believes it is up to the Security Council to take note of any official statements by the Iraqi authorities, that they agree to act on all the UN's decisions. That is France's position, it is Canada's position, and it is the position of any civilized country.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the Prime Minister and I are in agreement with one thing, and that is that the New Democratic Party is the only party that has had the courage to stand up and say: "Try diplomacy, try other methods and use war as a last resort".

We know that much of Iraq's military force has been destroyed, that in fact the UN resolutions that authorized force to ensure that Iraq withdrew from Kuwait, which is what the last resolution says, is being done, we understand, by the retreat of Iraqi troops. U.S. pilots have told reporters that while Iraqi troops are fleeing from Kuwait, they are bombing them with cluster bombs on the highways north of Kuwait City. In the words of one pilot, "we hit the jackpot."

My question to the Prime Minister is: Are Canadian pilots involved in this bombing of the retreat of Iraqi forces?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, Canadian pilots and CF-18 aircraft are fully engaged in the prosecution of the effort to ensure that the President of Iraq conveys, unmistakably, his complete acceptance of the 12 United Nations resolutions to

the Security Council. At that time and at that time alone would a cease-fire be appropriate, and would the Government of Canada instruct its CF-18s to cease and desist from the kind of action in which they are engaged in prosecution of the defence of the United Nations.

My hon. friend began with a prefatory remark that the NDP is the only party to try diplomacy and to try other methods. But she did not complete the NDP policy. It is also the only party that says that when we have to fight to defend freedom or the United Nations, count the NDP out.

• (1430)

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to pursue some questions with the Prime Minister on the same topic.

I think we all recognize that this is a very crucial time and that there is a hope that the fighting can be brought to an end.

It is my understanding that the Security Council is meeting this afternoon and will be inviting the Iraqi representative in New York to present the case that the Iraqi government has announced and to determine its judgment.

What I would like to know from the Prime Minister is: Has Canada, according to the statements just made, already rejected outright this announcement of withdrawal, or is Canada going to await the judgment of the United Nations Security Council as to whether it meets the conditions or not?

In other words, are we prepared to await whether the Security Council itself decides that the conditions are appropriate, or have we already made up our mind?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the informal meeting of the Security Council has just broken up. Iraq did not report. Iraq has not reported or responded to the Security Council. What Iraq has done is issue a radio broadcast. That is not the way to settle this dispute, and Iraq knows this.

The way that this matter can be brought to an end is for Iraq to come to the Security Council and to present its clear acceptance, as the Prime Minister said today unequivocally and clearly, of the resolutions of the Security Council.

As it has been from the beginning, the way to end this war has been in the hands of Saddam Hussein.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I want to ask the Secretary of State for External Affairs to clarify a point.

Is it not true that an outside country such as Iraq, while it is a member of the United Nations and not a member of the Security Council, cannot attend informal meetings of the Security Council, but that in fact there have to be formal meetings to which they can be invited? Under the rules of the UN that is not possible when it is in informal proceedings.

Will Iraq be specifically invited to make its case in front of the United Nations? Does the government believe that in crucial matters such as this it should be the UN Security Council that makes the judgments as to whether the requirements of the UN resolutions are being met, or is that a decision that is simply being made by the coalition partners? Where is the decision being made, by the UN or by the coalition?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, to answer what the hon. member calls his technical question, the Soviet Union, as he should know, has made it known that it would be prepared to make itself available to convey a message to an informal meeting, if that is what Iraq chooses, of the Security Council with respect to Iraq's specific acceptance of conditions.

The point is not who will carry the message. The point is that there is no message. Saddam Hussein has not indicated that he is prepared to accept the will of the world as spelled out in the Security Council resolutions.

With regard to who decides, the Prime Minister of Canada has made abundantly clear on a number of occasions and again today that the decisions rest with the Security Council, with the United Nations, with no one else, but before the United Nations can decide on the response by Iraq, Iraq must respond positively, absolutely and unconditionally to all of the resolutions set forth by the United Nations.

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Defence.

Our planes in the gulf have had a number of roles throughout the war: air patrol, sweep and escort and, more recently, a bombing mission. I want to ask the Minister of National Defence: What is the role of the CF-18s in the gulf at this moment? Is it business as usual? Have any new orders been issued or are they contemplated to the CF-18s in the gulf by the minister or by the Canadian commander in the gulf?

Hon. Bill McKnight (Minister of National Defence): No, Mr. Speaker. I have said on several occasions that the role of the CF-18 squadron, under the air tasking orders as agreed to by the Canadian commander in the Middle East, is that of combat air patrol, sweep and escort, and air to ground interdiction.

There has been no change, and I do not anticipate any until the results of the coalition effort have brought about a compliance with the United Nations resolutions under which the CF-18 squadron and all Canadian personnel are involved in enforcing.

* * *

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, my question is for the Minister of Veterans Affairs.

Technically our country has not declared war in this Persian Gulf conflict. Consequently, that would mean that our men and women serving in the gulf do not qualify for veterans' pensions.

I want to ask the minister, through you, Mr. Speaker, to tell this House and the families of these service people today what they can expect in terms of veterans benefits. Will they qualify for the same benefits equally as veterans of the two world wars and the Korean war?

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Mr. Speaker, naturally all members of this House hope and pray that there will be no casualties in this war, but we have to face that possibility, that reality, because that is the reality of war.

It is for that very reason that this government has declared the gulf area to be a special duty area. That gives the men and women serving there very special, preferential treatment with regard to pensions.

I should mention, so as to make it very clear to the families of the people who are serving there, what is covered under that. First of all, they are covered for 24 hours a day while there. They may qualify disability pensions, treatment services for their disabilities, survivors' benefits, attendance allowance, special clothing allowance, home modification, retraining assistance, and exceptional incapacity allowance.

Of course this is in addition to what my colleague, the Minister of National Defence, has announced in the way of benefits for those people who are so valiantly serving their country in the gulf area.

* * *

CANADIAN AVIATION INDUSTRY

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

The Minister of Transport is proposing to give American airlines the right to undermine and possibly eliminate Canadian carriers through a change in the Canada—U.S. bilateral air agreement. This change which would give the Americans cabotage rights to provide scheduled air services between Canadian cities is opposed by the majority of the Canadian aviation industry and in fact was opposed by all members of the all-party special committee on transport.

Will the minister today instruct his negotiator that cabotage is not to be granted to the United States aviation industry under any circumstances whatsoever?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, as the House well knows and the committee knows, we are renegotiating this agreement in an effort to get improved service for Canadian consumers, Canadian communities, and Canadian airlines.

The all-party report said that the *status quo* is not acceptable. That is what your hon. friend said.

Mr. Marchi: What did they say about cabotage?

Mr. Lewis: Well, let's get to cabotage. In discussing the negotiating mandate, the committee said in its report: "We have reached the conclusion that we are not in a position to recommend a specific negotiating option to the government. We will negotiate for a better deal for Canada".

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the report of the special committee states on page 12: "While we want to give the government as much latitude as possible in these negotiations, we do not think that

American carriers should be given cabotage rights under a new agreement".

That reflects the overwhelming opinion of the aviation industry, whether it is industry, labour or the community groups. The minister rejected this comment by the committee when he spoke not to Canadians, but to Americans, and said that cabotage was on the table. Why is he going against the wishes and the reality of the Canadian aviation industry?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I repeat. The Canadian airlines have encouraged us to give them more opportunities to serve Canadians and to serve the routes. That is one of the recommendations of the committee.

My friend quotes from the committee report. He did not go on to read page 27 wherein it states: "We have recognized that the government must be given the maximum negotiating latitude and that limited cabotage exclusively for our carriers may be an advantage in the negotiations".

* * *

UNEMPLOYMENT

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I have a question for the Minister of National Revenue.

The unemployment insurance legislation the government passed last year was supposed to produce the be-all and end-all for Canadians. In family owned businesses the regulations concerning non-arm's length relationships created backlogs in the Department of National Revenue where rulings had to be made on individual cases. It created hardships for many families who went without income for several weeks and who had to be supported by relatives, friends, and the municipal welfare offices.

Will the Minister of National Revenue today commit himself and the government to ceasing to treat Canadians in such a callous a uncaring way and see to it that National Revenue will never again hold up unemployment insurance payments to the unemployed?

• (1440)

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, this government ceased treating Canadian taxpayers in a callous way the moment that one of my predecessors, the present Minister of National Health and Welfare, brought in the taxpayers' bill of rights.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I have a question for the Prime Minister.

An amendment to the Canadian Constitution in 1940 transferred the responsibility for the unemployed to the federal government. Many municipal welfare budgets have doubled and tripled in the last few months as a result of this government-created recession.

When is the Government of Canada going to live up to that constitutional responsibility and stop throwing the burden of unemployment in this country on to the backs of the municipalities and the provinces?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member will know that Bill C-21 went a long way toward alleviating some of the problems to which he refers.

Unfortunately, there was a problem in the Senate in having this passed in an appropriate fashion. We have now taken every step to alleviate this problem. I can assure the hon. member and members of this House of Commons that this problem has now been resolved.

* * *

[*Translation*]

GAS PRICES

M. Bob Kilger (Stormont—Dundas): Mr. Speaker, my question is directed to the Minister for Consumer and Corporate Affairs. The Competition Act has no regulations to deal with fraud concerning gas prices. The legislation only refers to price fixing. Why doesn't the department take the initiative and set up an agency to prevent fraud instead of merely acting in a monitoring capacity?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the hon. member ought to know that retail gas prices are a provincial responsibility. The federal government's responsibility concerns competition and whether there is any collusion with intent to defraud or act against the interests of consumers. The provinces have plenty of room to intervene. Two provinces already have legislation to deal with this, and I have discussed the matter with my provincial colleagues. They have plenty of room to manoeuvre, and I hope, Mr. Speaker that it

was not the hon. member's intention to ask me at this stage to intervene in what is really a provincial matter.

[*English*]

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, for the same minister.

Consumer groups and Canadians across the country are not satisfied with the government's assurances that gasoline prices are entirely the result of market forces.

Canadians deserve to have concrete evidence that the price of gasoline is fair. Will the minister establish an independent review board to investigate gasoline pricing in Canada?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, if the hon. member considers what has been happening across Canada during the past few weeks, he will notice that there has been a very real drop in the price of gas in most Canadian regions, which can only benefit Canadian consumers. This government has always believed that it was in the interest of consumers to have as much competition as possible in this sector, so that Canadians can continue to enjoy the benefits of price reductions and competition.

* * *

[*English*]

TRADE

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, my question is for the Minister for International Trade and it involves Algoma Steel.

If the federal government wants positive proof that its economic policies are not working, it is Algoma and the effect of high interest rates, the high Canadian dollar and the free trade agreement.

Given the fact that provincial loan guarantees were listed as a subsidy by Americans in a countervail action against SYSCO Steel, what is the minister doing to reassure steel corporations in this country that loan guarantees will not be construed as a subsidy, and this will not happen to Algoma?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I do not know whether or not the hon. member made his presence felt when there was a five-month strike at Algoma Steel some time ago that certainly badly crippled Algoma Steel.

With respect to the subsidy question, I hope the hon. member is pleased that we now have the Canada-U.S. Free Trade Agreement in effect so that if there is an allegation of any subsidy, in connection with Algoma Steel or any other company, it can now go to a Chapter 19 panel which will have the final say on whether or not there is such a subsidy as they have done in the pork case, which establishes beyond any doubt the efficiency and the finality of the dispute settlement system and by itself shows how valuable the Canada-U.S. Free Trade Agreement is. I am delighted to relieve the hon. member's mind in that instance.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I will pass on the reassurance of the minister and indicate that you won a pork ruling but have lost all steel rulings, so it is no assurance at all.

My supplementary question is for the Minister of Industry, Science and Technology, and I do appreciate his personal involvement in this issue to this point in time.

In a meeting on February 11, he indicated to me that his department would serve on the task force studying the long-term viability of Algoma. In the ensuing press conference he indicated that in no way could the federal government involve itself in the long-term restructuring of Algoma. Now, these statements conflict.

Will the minister reaffirm his commitment to serve on the task force and what positive initiatives is he considering to ensure the long-term viability of Algoma and for Canadian jobs?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I want to say first that I was pleased to work on the loan guarantee for Algoma with the three other partners. This government did this particularly for the people of Sault Ste. Marie.

Second, I made no conflicting declaration. I said that the people of Industry, Science and Technology would always be available to work with anyone to see if there is a way that we can helpful in terms of the future of the

company. I said also that there is no way that the Government of Canada, as my friend knows very well because of any countervailing action, could be involved, in light of the policy which was put forward in the steel industry in 1984. It has always been respected that the Government of Canada will not be involved in the restructuring of the company itself. But, if we can be helpful in terms of advice which could be given by the department, we will be pleased to do so.

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GOODS AND SERVICES TAX

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is directed to the Minister of National Revenue. Just one of the many positive aspects of the GST is the federal sales tax inventory rebate and many businesses are anxiously awaiting their refund.

If an application for the rebate was received by the department in the middle of January, when could the rebate be expected? Second, what could a specific business do if the need is urgent?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, at the outset the claims for federal sales tax rebate on inventory exceeded expectations. There was a temporary slowdown in the processing of those rebate claims. Since then we have streamlined the process.

I can assure the hon. member that we are back on track and able to expedite them in the 21-day period as we had intended from the start. In fact, we have to date expedited 23,302 claims and those cheques have gone out to the businesses across the country to assist them with their cash flow.

May I just conclude, Mr. Speaker, by taking this opportunity to compliment the business sector, particularly the Canadian Retail Council, for doing such a tremendous job in assisting the business community with this massive tax change, to have made it as smooth and as efficient for the business community and the consumer as is possible.

BANKRUPTCY

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is directed to the Prime Minister and it concerns the unprecedented level of bankruptcies caused by this government's own policies.

For every statistic, for every business that is driven into bankruptcy, there are employees who at the end of the day have to go home and tell their families there will be no more pay cheques. They will have to call the bank and say that the mortgage payment will be late. They will be hounded by bill collectors, suffer tremendous family stress, with many driven to become part of the statistics because they will have to declare personal bankruptcy themselves. My question to the Prime Minister is clear. Why does his government consistently and absolutely refuse to recognize and address the real tragedies, the human tragedies, caused by his government's economic policies?

• (1450)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): I will not deny the fact that we are in a recession. I will not deny the fact that for many Canadians this is very tragic, and I will not deny the fact that we have to do everything we can to extricate ourselves from this sad situation.

That being said, I would like the hon. member to remember what the federal bankruptcy superintendent said, when you start comparing, for example, January with January. In January, 1990, we were booming, so going up. In this particular time we are in the midst of a recession. The superintendent said, and he is a neutral person, "I am very confident that come May, because we are not comparing apples with apples, come May we will be comparing apples with apples and the situation will be much improved".

That being said, I recognize that Canadians would like us to do everything we can and we are fiscally and financially to help Canada recover a good economy.

Mr. Rex Crawford (Kent): Mr. Speaker, my supplementary is for the same minister.

The recession is hitting southwestern Ontario hard. Nearly 30 per cent of Chatham's automotive work force is unemployed. Motor Wheel has lost over 600 jobs. Welfare cases in Kent county are up over 400 per cent from 1981 levels.

This is no ordinary recession. Many companies are shut down for good. Jobs are lost forever. How will the minister help workers and their families?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I would like to come back to the first question my friend asked about bankruptcies in this country.

Yesterday the Minister of Finance insisted on the fact, and the Minister of State for Finance raised it today also, that since 1984 with the prosperity we had with this government, a lot of companies were starting up. For that reason it is obvious that we have more companies in bankruptcy today because there are many more starts in 1990 than there were in 1984.

He knows very well, Mr. Speaker, and the Minister of Finance said yesterday that we have closings, mergers, for a lot of reasons. Otherwise the bankruptcies themselves are due to recession.

Once again, Mr. Speaker, my friend and his party should look at what is the real economy and he will understand those figures.

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AGRICULTURE

Mr. Joe McGuire (Egmont): Mr. Speaker, I have a question for the Minister of Agriculture.

Prince Edward Island has been virtually locked out of all of its North American seed potato markets. This year is lost. Forty million dollars have gone down the drain.

In addition, the American and Canadian bans give no indication to the growers as to how they can recertify. What the seed growers need to know is where do they get certified seed for their spring plantings in order to stay in business?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, my hon. friend is aware I am sure of the work and the co-operation that has been going on between the two levels of government and indeed the producers. I think what is really necessary is summed up in the words of Mr. George Webster, the chairman of the P.E.I. Potato Marketing Board. He said: "This year may be lost but we have to start to salvage and rebuild our seed industry".

That is precisely what we are attempting to do. We are looking at a compensation package. An eradication program has been developed with the co-operation of the growers and the government. As a matter of fact, as of right now, there are further negotiations and discussions going on in Washington with the aim of restoring normal seed to our trade patterns.

Mr. Joe McGuire (Egmont): Mr. Speaker, I think George Webster would also like to know where he is getting his certified seed for his planting for spring.

Agriculture Canada does not know where the virus PVYN came from. The Americans do not test for the virus, but we do. The virus could very well have come into Canada from the United States. Why will the minister not demand the same rigid testing standards to potatoes coming into Canada from the United States as the Americans are demanding from us?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am sure that the hon. member would be delighted to know that we are applying the same standards to the American product crossing the border into Canada as product going into the United States. He shakes his head in the negative. I indicate to him that that is the case. We are in fact doing that as of now.

The PVYN virus was detected in late summer last year. After further analysis and post-harvest testing and laboratory analysis it was identified to be prevalent on 14 farms in Prince Edward Island and three farms in New Brunswick. We immediately, in co-operation with the two provincial governments and with the producers, set out an eradication program, a certification program in an attempt to deal with this very critical disease. That is continuing.

I have assured both the growers and the two ministers of agriculture that Agriculture Canada would take all necessary steps to eradicate the disease and to save the producers harmless from their losses.

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NORTHERN TAX BENEFITS

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the Minister of National Revenue.

In early December the government announced that a number of communities would be reinstated in terms of receiving at least a partial northern tax benefit. That was early December. No legislation has been introduced in

this House and no tax forms are available for those Canadians in order to fill in their taxation for that 1990 taxation year.

First of all, when will the legislation be introduced in the House and second, when will the tax form be available so those Canadians can fill in their 1990 taxation forms?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I am sure the New Democratic Party will be supportive of the initiatives that the Minister of Finance, in conjunction with Revenue Canada, have been taking. We are now in the process of discussing this matter with our House leader and hopefully other House leaders as to when this can come before the House for consideration.

Revenue Canada is prepared and ready to deal with this matter any day. The sooner this passes through this House the better for northern residents.

Mr. Rod Murphy (Churchill): Mr. Speaker, the minister knows that the government made a decision two and a half months ago to change this legislation. It has not introduced it.

We would like to ask the minister this. Will he guarantee that they will not blackmail people in the north and that there will be legislation introduced immediately which is specifically on the northern tax benefit and does not include other measures which implement the government's budget?

These people have waited two and a half months. Why not introduce the legislation now?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, that suggestion is just ludicrous. That should not surprise me coming from where it comes from.

Some hon. members: Oh, oh.

Mr. Jelinek: There has always been and continues to be an ongoing attempt for widespread consultation on every issue that this government undertakes and the northern residents' benefits is no exception.

The hon. member will know, and his leader agrees with this, that we have embarked upon a most extensive consultation process with northern residents on this matter. That is why there has been a delay.

The House resumed sitting after a short break just yesterday. If the hon. member will co-operate, as I am sure will the Liberals, he will have his legislation and northern residents will have their benefits.

Mr. Speaker: The hon. member for Cape Breton Highlands—Canso, a single question.

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FISHERIES

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Minister of Fisheries who, in the midst of this made-in-Canada recession created by his government, is intent upon compounding the difficulties facing Atlantic fishermen with massive new dockside monitoring charges. These charges come at the same time as inshore fishermen throughout Atlantic Canada are paying for his government's mismanagement through quota cuts and falling prices.

Where is the fairness here? Will the minister not rescind these new dockside monitoring charges before hundreds of fishermen go out of business?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): No, Mr. Speaker, I will not.

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• (1500)

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the members' attention the presence in the gallery of His Excellency Ahmet Kurtcebe Aldtemocin, Minister of Foreign Affairs of the Republic of Turkey.

Some hon. members: Hear, hear.

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THE LATE GUS MACFARLANE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I rise today to pay tribute to Gus MacFarlane, a former member of Parliament who passed away this past weekend.

Gus proudly and diligently served the citizens of Hamilton Mountain as their member of Parliament between 1974 and 1979. Those who knew him during his years in Ottawa, and his many other friends, remember his cheerful personality and wonderful singing voice.

He served with commitment as Chief Government Whip. His fellow parliamentarians will remember his special project fighting for the rights of backbenchers on both sides of the House.

Outside of politics, Gus MacFarlane was extensively involved in several national organizations. A member of the Canadian Paraplegic Association since 1985, he was also a founding member of the association's Prince Edward Island branch in 1986. For the last two years, he served as the Chairman of the Canadian Paraplegic Association's national fund raising committee.

Gus was also deeply committed to Canadian amateur football. A past president of Football Canada, he was most recently the President of Football P.E.I., working to resurrect the sport on the island.

The greatest tribute to Gus MacFarlane will not be in our words of sadness today, but in the memories of the many people to whom he provided so much encouragement.

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, following on the words of the hon. member for Hamilton Mountain, I wish to pay tribute to the late Gus MacFarlane.

I was a new member of Parliament when Gus was in the House. He was always extremely helpful to me, and a friend to me, as he was to all colleagues on this side of the House.

I am sure that the whole House, and all of his former constituents in the Hamilton area, wish his family their deepest sympathies at this moment of their sorrow. They should know that the House of Commons thought very highly of Gus MacFarlane.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I want to join my colleagues in expressing my sorrow at the passing of Gus MacFarlane, whom I knew very well.

He was the Chief Whip of the Liberal Party at a time when I was the Chief Whip for the New Democratic Party a number of years ago.

Gus MacFarlane was one of those members who was very well liked by all members of the House of Commons, regardless of which side of the House they sat on. He was well liked, very outspoken, and very frank. He was also a great orator with a loud, booming voice. I am sure that all of us who were here remember him well.

He was also very interested in sports. It was an activity that he followed long before he was elected as a member of Parliament, that he was involved with as a member and, of course, after he was no longer a member in 1980.

Gus will be missed by all. I extend, on behalf of my party, our sympathy to his family and to his many friends.

Mr. George Proud (Hillsborough): Mr. Speaker, I just want to add a few words to those already said here.

Gus MacFarlane came to Charlottetown some years ago. He came to work for Veterans Affairs as a member of the War Veterans' Allowance Board.

Soon after his arrival in the city, he became very well known as a community leader. One of the first acts he did in Charlottetown was initiate the Charlottetown Winter Carnival, which has become a well-known annual event.

As my colleague has said, he was also responsible for the resurrection of amateur football in the city of Charlottetown.

I would like to express to his family my deepest sympathy. The youth of our country and of my home province were the beneficiaries of the many hours of hard work and dedication that Gus MacFarlane gave.

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PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I asked a question, which was answered by the Secretary of State for External Affairs, in which I took a direct quote from the transcript of a statement issued by the Secretary-General of the United Nations.

In response to that, the Secretary of State for External Affairs said that I was taking liberties with this statement, and furthermore that this was a repetition of an attempt to misrepresent statements of the Secretary-General and this was not an honest process of foreign policy.

Mr. Speaker, I would like to read to you directly the quote of the Secretary-General. It says:

> —in consonance with the resolutions of the Security Council. Openings towards the cessation of the conflict have been clearly revealed during the past two days. It would be tragic in the extreme if

> the opportunities that have been created were now being lost. I appeal most earnestly that this not be the case.

He then went on to say:

> The United Nations and I, I may add as the Secretary–General, are passing through a most trying and painful experience. Since the beginning of the crisis, there has been devastation on a vast scale. The consequences for a vital and strategically most important region of the world are incalculable.

This is the quote I used:

> We have the obligation to uphold the principles which prompted the Security Council's resolutions and we have to respond to the supreme moral imperative of preventing further destruction of life. These two objectives should not be irreconcilable.

Then he goes on to say how he hopes the decisions will be successful.

The point I am making, Mr. Speaker, is that I quoted directly from the Secretary–General. I quoted in the context that the Secretary–General was making an appeal that a peaceful resolution be found, as I have just quoted from his statement.

Unfortunately, the Secretary of State for External Affairs was unable to read these transcripts properly, or understand them, and I think it is an imputation against my privilege as a member that I was trying to misrepresent the Secretary–General and not deal with this in an honest way. I think it is unfortunate that the Secretary of State for External Affairs, when he is not able to answer a question, tries to impugn the motives of a member who asked it.

I ask that this privilege be examined by Your Honour under section 48 of the rules.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, let me remind the House that my response to the member for Winnipeg was that it would serve the interests of us all if he did not take liberties with statements of the Secretary–General. This is not the first time, as he will recall that I had to call him to order in committee. This is not the first time that he has taken one phrase from a statement by the Secretary–General and then attributed to the Secretary–General a meaning quite different from what the Secretary–General of the United Nations had indicated.

This is what the member for Winnipeg said in the House, referring to the Secretary–General of the United Nations. He said: "that the UN resolutions against Iraq could be upheld while still addressing the moral imperative for preventing further destruction. And we know this appeal of the Secretary–General was not successful this past weekend".

The clear conclusion anyone would draw from that is that there had been an appeal made by the Secretary–General which was rejected.

Let me quote from what the Secretary–General of the United Nations has been saying on that subject.

In answer to the question "Do you think that the ground offensive cut off any chances for constructive diplomacy before they really had time to achieve anything?", the Secretary–General answered: "History shows that hostilities and diplomacy can live together. The one thing we have to be hopeful for is that something can be done in order to avoid losses of lives."

There was then another question asking about military operations. He said to the person posing the question: "You are probably more knowledgeable about military operations than me, but it appears it is something which is indispensable in order to obtain the objective which is exclusively to liberate Kuwait."

The honourable member, I know, is a reader of *The New York Times*. He will know that the interpretation of *The New York Times* in an article of yesterday, entitled "UN Chief Backs Strike" accepts my interpretation, not the interpretation he put on the record and tried to raise again today.

In the committee the other day, the member for Winnipeg said: "On the weekend the Secretary–General of the United Nations quoted in a BBC commentary that he is anguished that the lives of millions of civilians are in danger by confrontation, that civilian casualties are mounting, and that there is widespread damage to residential areas."

As a matter of fact, the statement was not made by the Secretary–General, it was made by a senior UN official. That was clear in the news article which I believe the hon. member was quoting, an article in the *Sunday Citizen* of February 10, by Mr. Trevor Rowe, which says:

> A UN official who works closely with Perez de Cuellar says—

I went on in the context of that committee hearing to make the point.

I think it is correct to say that the Secretary–General of the United Nations expressed his anguish at the loss of civilian life.

• (1510)

Everyone in this committee would express that anguish. To translate that into a criticism or to make it something that it is not does no service to the facts or to the Secretary–General of the United Nations.

I think that, at best, this is a matter of debate, but since the hon. member put his version on the record I thought I would place mine.

Mr. Speaker: The hon. member for Winnipeg South Centre wishes to respond. Very briefly, please.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, the Secretary of State for External Affairs has, once again, going to sleight of hand, quoted from a different document. I am quoting from the statement the Secretary–General made on February 23, 1991, a direct statement where he said it would be tragic, in the extreme, if the opportunities that have been created were now to be lost and he appealed most earnestly that this not be the case. If that is not an appeal for a peaceful resolution, I do not know what is. I would simply say that it is up to the Secretary of State for External Affairs to start treating statements in this House with the seriousness with which they were presented and quit trying to distort them and smear them, as he always tries to do.

SPEAKER'S RULING

Mr. Speaker: I listened very carefully to the exchange yesterday and I have had an opportunity to reread it. I have listened to the hon. member for Winnipeg South Centre and to the right hon. the minister.

One of the difficulties in brisk exchanges in this House is that sometimes there is an indication from one side or the other, and often from both sides, that neither version which they are counting on is as accurate as someone on the other side might wish it to be.

I have no doubt as to the sincerity of the hon. member for Winnipeg South Centre in putting the question he did. The right hon. Secretary of State for External Affairs replied and engaged the hon. member for Winnipeg South Centre in some argument as to what had been said at certain times and what meaning should be put upon it. That, I am afraid, is a question of debate and in the absence of very clear words of defamation exchanged between members, that is where it must stay.

I thank both hon. members for their courtesy.

GOVERNMENT ORDERS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

Right Hon. Joe Clark (for the President of the Treasury Board) moved that Bill C–9l, an act to amend the Financial Administration Act and other acts in consequence thereof, be read the third time and passed.

Mr. Dave Worthy (Parliamentary Secretary to Minister of State (Privatization and Regulatory Affairs) and Minister of State (Finance)): Mr. Speaker, I would like to make just a few final remarks about C–91, the act to amend the Financial Administration Act and other acts in consequence thereof.

I think that not only people in this House but people across this country, business people and other citizens, recognize that any business that tried to function in today's environment with rules and procedures that were over 40 years old would find it impossible. It would be inefficient and would not be able to operate long. That is the situation, in effect, that the Government of Canada now finds itself in. Although it has been manoeuvring around it, the rules and procedures that it operates under are 40 years old. I think it is recognized on all sides of the House that those procedures must be updated.

Bill C–91, therefore, is largely technical in nature. It is intended to make the financial management processes more efficient and to modernize certain procedures. The ultimate objective is to bring financial administration in the federal government into the modern electronic world. By permitting the introduction of new efficiencies and the use of electronic technology, these amendments would assist departments to do more with less to the benefit of all Canadians.

More specifically, the bill will improve the management of the federal government's cash inflows and outflows, increase the efficiency with which government

programs and services are administered, streamline and modernize internal administrative processes, provide enhanced tools to facilitate the management of the public debt and provide more flexibility in the funding and delivery of services, thereby providing better service to the public.

For example, the amendments to section 17(4) and (5) contained in clause 5 will eliminate the current cumbersome process that is involved in settling with banks and other financial institutions for NSF cheques received by the government.

This amendment will also pave the way for streamlining the process of paying fees and commissions to agents who act on behalf of the government, thereby minimizing the paper burden imposed on them.

It has long been an accepted practice for agents in the private sector to withhold their fees and commissions from the funds collected. This applies whether one is selling a house, a ticket to a sports event or a concert, or even selling real estate. Even the provincial government permits retail outlets to withhold their administration fees from sales tax collected.

But not so for the federal government. The full amount collected must first be deposited in the Consolidated Revenue Fund and then a separate cheque issued for fees and commissions payable.

The changes contained in this bill are long overdue and essential to fostering an efficient and businesslike approach to day by day transactions.

The bill also includes amendments designed to streamline and modernize the payment process. The amendments to section 34 will provide greater flexibility to use modern principles of risk management when verifying invoices and other claims for payment, while those to sections 35 and 36 mean that the government would truly enter the electronic age and take full advantage of electronic payment techniques. This would be of particular benefit to the government suppliers since payment would actually be in their hands on the due date. It also has cash management implications for large contributions and other major financial assistance to industry. With electronic payments, large cash advances would be eliminated and funds held in the Consolidated Revenue Fund until the last minute. This means savings for the people of Canada and the Government of Canada.

Other improvements in the financial management process are aimed at streamlining the approval process for tax remissions, reducing internal red tape and other impediments to collecting at least part of the millions of dollars worth of debts currently deemed uncollectable. Those are dollars owed to the government, to the people of this country, that this government must make sure to collect if at all possible.

The bill provides uniform and consistent authority to waive charges and forgive money owed to the government on humanitarian grounds and where circumstances otherwise warrant. This, in fact, would make our government more human.

It also clarifies the requirements for recording and settling debts owed at the end of a fiscal year thereby eliminating any unwarranted overhead costs.

It reduces the paper burden by eliminating reports that nearly duplicate information already provided to Parliament through the expanded information now provided in part 3 of the Estimates.

In summary, this bill is designed to bring financial management practices in the government into the modern age and to increase productivity. This it will do without sacrificing or diluting the fundamental principles of parliamentary control of our expenditures.

I would, however, be remiss if in concluding I did not mention that during debate in this Chamber, and also in committee, certain concerns were expressed over the wording of clause 6 on user fees. These concerns related principally to ensuring that users would not be called upon to pay more than their appropriate share of the cost and, more specifically, that no one class of users would be expected to bear the cost of services provided to other users.

• (1520)

In addition, assurance was sought that the rules of the game would not be changed in mid-stream and that new adjustment factors would not be introduced without amending the original order and without providing users an opportunity to make their views known.

The government has listened to these representations and it has made every effort to accommodate them. I am convinced that the bill, as now amended, meets the essence of these concerns.

I am now in a position to thank all hon. members who helped with the implementation of the bill to this stage. I would ask for speedy and positive support of the bill today.

[*Translation*]

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I welcome this opportunity to take part in this debate, and it is a pleasure to do so this afternoon, on third reading of Bill C-91. I have a number of problems with this bill, but generally speaking, I think the government is to be commended for introducing this bill to amend the Financial Administration Act. This is very important. I agree with the parliamentary secretary when he says that the purpose of this bill is to bring this government into the twenty-first century, which is excellent, and in that case, I am delighted to support this bill. Not, however, as far as section 16 of the bill is concerned. That is why I would like to make some brief comments, and I also want to discuss another matter that concerns section 30 of the bill.

[*English*]

Perhaps, if I continue in English, it would be easier for me as well as for hon. members.

Clause 6 of this bill represents a serious power grab on the part of the government. I think it is apparent to all that it is so, in spite of the protestations of the parliamentary secretary.

I want to thank him for his consideration of the amendments I proposed in the House. I recognize that the government has accepted the principle of one of them, with a minor modification in language. In respect of the other, I submit that there is still disagreement between us as to the effect of the amendment, and certainly the effect of clause 6 of the bill that has been presented.

In my submission the new clause 6 represents an attempt by the government to take to itself the power to impose charges in the nature of taxes on Canadians in exchange for the services they receive from their government. The normal procedure, as everyone knows, is for the government to introduce a bill to provide for certain services for Canadians. Parliament normally votes the funds on an annual basis through the Estimates for those services to be provided.

What the government has now taken on itself to do is the power to charge Canadians for those services based on the costs of those services without recourse to Parliament This is a fundamental objection I have to this clause. This clause in its amended form has enhanced the power of the government in this regard, and that cannot be denied. If it did not have to be enhanced we would not have this amendment before us. I think the hon. parliamentary secretary knows that full well.

What we have here is a case where the government has decided that it does not have to come to Parliament any more—it does not want to come to Parliament any more—in order to increase in effect the tax burden on Canadians. Parliament would have voted the funds to pay for the services and presumably those funds will continue to be voted. The government, on the other hand, can charge a fee for the provision of the service and thereby recoup the costs of the provision of the service and use the money presumably voted by Parliament for other similar purposes, such as enhancing other departmental programs and facilities that come under the same vote as authorized by the House.

I think it is important that Canadians realize that this House is losing power because of the actions of the government in proposing this bill and assuming for itself certain additional powers.

In my submission this amounts to taxation without representation. It is a subject that led to the American revolution, as we all know. It is a subject that is very important in a parliamentary democracy, that the elected representatives of the people are the ones that determine who shall pay taxes and on what basis. In other words, all tax bills are required to be introduced here and all taxes can only be raised after a vote of this House, except in cases where we have delegated that authority to the government.

What is happening here is the delegation of authority that submit is beyond reasonable limits. It gives the government far too much authority, more than it had before.

Having said that and having expressed my objection to that—and I will come back to that theme later in my speech—I want to turn to the specific clause that the

government has changed. Perhaps the easiest way is to look at the amendment I had proposed.

The words of the amendment that I proposed yesterday, which my hon. colleague, the member for Willowdale, was so pleased to move on my behalf, requested a change in the wording of the bill and read:

> "the service or use of the facility to the user or classes of user who benefit thereby."

I am quoting the words and I know they sound out of context, but the purpose of the amendment was to ensure that where the government decided to charge a fee for the provision of a service only persons who benefit from the service would be required to pay the fee.

The government has raised an objection to the words of my amendment on the basis that the use of the word benefit is too vague in law and that it could be construed to mean that someone who used the service but was refused the privilege sought by the service would thereby claim not to have benefited and would therefore not have to pay.

I can understand the argument. I know that it is there. I can understand that perhaps the use of the term in law would cause confusion, whereas it was clearly intended that persons who use the service pay whether or not they actually gain in the sense of improving their lot by reason of the use of the service. Charges for the use of the service is clearly what is intended, and I will concede that.

I want to make it clear today in this House as far as I can that the amendment that the government proposed to my amendment, which was ultimately accepted on division by the House yesterday, was intended to cover the situation and ensure that people who use the service pay for it. Whether the benefit actually accrues to the people as a result of their use of the service may not be the criterion. Indeed it is suggested that is not. The user of a service may be charged, but the question of benefit will only be considered in the sense of one having had use, so the charge is to be paid by users.

I hope that that construction of the words which the government amendment contains will be in fact applied in the courts. I realize as a lawyer that the courts are reluctant to look at parliamentary debate as authority for what was intended in an act of Parliament when the words are in fact passed. However, if there is any reference in the courts to the use of this section, I hope that recourse will be had to my speech and to the parliamentary secretary's speech. Perhaps he wishes to clarify the point if I have misconstrued what he has said.

I would also refer, for the assistance of the courts, to the words uttered before the legislative committee that considered this bill. The person who was making the statements was the deputy comptroller general, Mr. McCrindell, on Tuesday, December 11, before the legislative committee on Bill C-91. In his statement he said the following as reported at page 1-15 of the transcript of the committee's proceedings:

> When setting fees, program objectives and the effect on users and other directly affected parties are major considerations. The over-all objective will be to achieve greater equity in the financing of governmental activities by shifting the burden from taxpayers in general to those who benefit directly.

• (1530)

I stress the use of his words "benefit directly", which are not now in the bill because of the difficult construction of the word benefit in the English language. I hope when the matter comes before a court that the words used in the act will be construed very carefully to ensure that persons who do not benefit from the provision of a service—and I again use the word in its normal sense—are not charged for that service. Clearly that is not the intention of the government as stated by the deputy comptroller general in his statement to the legislative committee which we have attempted to put into this legislation by specific amendment.

There is one other item which I think has to be examined. We have not dealt with it in the House. I know we have now completed consideration of the amendments. They have been adopted in the bill. However, there is another item that was not included in the government's bill which is very important. Since this is an opportunity to amend the Financial Administration Act, I think it is one that we should look at in Parliament as something that should have been included in this bill. I refer to section 30 of the act which deals with the use of special Governor General's warrants.

I have dealt with this subject in Parliament before. I feel constrained to do it again today because the government has missed an opportunity to correct what I think is a serious flaw in our law. I do not think the flaw is actually in the law. I think it is in the government's

construction of the law and its use, or should I say abuse, of the system that is in place.

Perhaps I could review for hon. members for a moment the substance of our system of financial control which is, after all, the root of the powers of this House. It is a matter that led to the execution of a king in the United Kingdom. It is a matter that goes to the very root of parliamentary democracy. That fundamental principle is that there are no supplies or moneys granted to the government without the consent of this House. That is embodied in the legislation, in the Canadian Constitution. It is known that all Estimates must be voted first by the House of Commons. It is specified to be so in the Constitution of Canada. We know that supplies are voted by this House based on the Estimates which the government tables in this House. We are expecting a new set of Estimates on Thursday of this week, as I understand it, for the coming financial year.

In the 1988–1989 financial year and the 1989–90 financial year things were a bit different. Members will recall there was an election in November 1988, and the government saw fit to recall Parliament for two weeks in December. It discussed only one item of business, really, and that was the free trade deal. Rather than call Parliament back in the new year to vote supplies to complete the financial year, the government saw fit first of all to use a special Governor General's warrant pursuant to section 30 of the Financial Administration Act. That is exactly what they did on January 19, 1989. It got the Governor General to sign one of these special warrants authorizing the expenditure of $80 million from the public Treasury without a vote in Parliament.

Then on February 16, it did it again for $507 million without a vote in Parliament. The financial year, as we all know, comes to an end on March 31. In other words, it cleaned up the work of the old financial year but to avoid the difficulty of having to meet the House and get supplies voted, it then prorogued Parliament. Parliament was then in session but not actually sitting because it was adjourned. Rather than face any further difficulty, it prorogued Parliament and set a date for recall on April 3 or April 4, 1989. I have forgotten the exact date. That was into the new financial year. It had to have money to operate for the first few months of the financial year and Parliament would not be able to vote money right away. That would take a few weeks. Instead of calling us back in March, as it should have done so that this could all have been dealt with, it waited until April 3 or April 4. On April 1, April Fool's Day, it went to the Governor General and got another warrant, this time for $6 billion. It was $6,175,011,778 to be precise.

It took that money and ran the government until Parliament got an interim supply bill passed in, I believe it was May 1989.

An hon. member: Shameful.

Mr. Milliken: It was shameful. I am glad the hon. member for Bonavista—Trinity—Conception recognizes that, because really what happened here was the first abuse ever of these special warrants.

It was the first time these special warrants had been used between sessions of Parliament, except for one isolated case in the early part of this century when there was some problem with the roof of this building.

I want to turn to section 30 of the act, and I want to stress the words of this section. It says:

> Where a payment is urgently required for the public good when Parliament is not in session—

When it is "urgently required for the public good". There was nothing urgent about these payments in this case. Parliament could have been recalled to deal with them. In every case these were payments for the general operation of the Government of Canada.

It was not a war situation where there was an emergency. It was not a case of government buildings falling down that needed immediate and urgent repair. It was not a case of a catastrophic event occurring in some part of Canada.

This was a case of a government unwilling to face the elected representatives of the people in this House. It was unwilling to come back and have us consider the question of the Supplementary Estimates or the Main Estimates. It simply said: "We will help ourselves by special warrant to this money." Never before had section 30 of the Financial Administration Act been so abused.

I have raised this issue in the House under questions of privilege. The Speaker has made rulings, and I recognize that we seem powerless to effect a change in that respect.

However, as MPs we do have some power to change the Financial Administration Act. I am disappointed that the government in introducing a substantial revision of this act as the parliamentary secretary has called it—and I agree with him that it is—would not have taken the opportunity to correct what is a glaring problem with the act if the government's interpretation of the act is accepted.

It has clearly been accepted for certain purposes, at least limited purposes, by the House because there is nothing else we can do as a minority in this House to object to this interpretation. However, I think it is an opportunity that the government might have taken up to make the amendment. I would have been glad to move it. But for the record I want it clear that such an amendment would have been out of order because it amended a section of the act that was untouched by the government's own bill.

I was instructed accordingly that the amendment would have been out of order had I attempted to move it. I have on the Order Paper a bill to amend the Financial Administration Act to prevent that kind of abuse, Bill C–211. I know I indicated my enthusiasm to the parliamentary secretary to ensure that that bill be incorporated as an amendment to Bill C–91, but apparently it was out of order and that could not be accomplished without unanimous consent. That was not forthcoming.

The difficulty is compounded in this case, in my submission, by one other little example of government arrogance. The government is required, under section 30, having used special Governor General's warrants, to make a report to the House. In accordance with the act, the government duly tabled a statement on special Governor General's warrants. In fact it tabled two: one for its use of the warrants in 1988–89 and one for its use of the warrants in 1989–90.

In the case of the 1989 financial year, that is the one ending March 31, 1989, there had already been laid before Parliament the Main Estimates which had been approved by the House, I believe in June 1988, although I was not here. Then there were some Supplementary Estimates tabled in the December session. Then another set of Estimates, apparently Supplementary Estimates (C), were subsequently prepared but never tabled in Parliament.

They were referred to in the report that the government House leader, I believe it was at the time, tabled in respect of the use of the special government warrants. This happens to be Sessional Paper 342–1/258. The references in the opening summary where the portions of money not actually voted by the House are listed refer to a document as Supplementary Estimates (C), not tabled. Subsequent to the tabling of this document, one of the standing committees of this House conducted hearings in respect of the uses of these warrants. I may say that I had an opportunity at that committee to ask questions of the public servants who were responsible for the preparation of the special warrants and who obviously had something to do with the preparation of the supplementary estimates.

• (1540)

I asked at the committee hearing that copies of the Supplementary Estimates C referred to in the report be made available to members of Parliament. The witness before the committee on that occasion indicated that he would look into the matter and report.

Apparently he did report to the chairman of the committee and the reply that he sent to the chairman of the committee in June, 1989, which unfortunately did not get into my hands until I had sent some further correspondence on this in January of this year, indicated that, and I quote from the letter to Mr. Turner, the chairman of the consumer and corporate affairs committee: "I am advised that such a document, not having been tabled, constitutes a draft prepared only for the consideration of ministers and as such cannot be released".

That is where the matter was left. The document could not be released because, although it was Supplementary Estimates C, it was prepared in draft for tabling in Parliament had Parliament, in fact, been called to meet.

Although Supplementary Estimates C were referred to in the report we are not allowed to see them.

Why the secrecy? Why would the government seek to deny the production of these documents to Parliament? This is the body that is supposed to deal with the granting of moneys to the government for its purposes, yet it will

not make those purposes clear in this House by presenting this document.

Surely it was a reasonable request that those draft supplementary estimates be made available. Of course they were draft. Everybody knew that. But why is the government seeking to conceal those supplementary estimates from us in this House? I think it is a question that might be asked. We should have an answer.

I realize that, strictly speaking, this provision is not in the bill. It has not been dealt with in the bill, but it is an omission from the bill. It is an omission on the part of the government to table these documents. It is an omission on the part of the government to deal honestly and cleanly with this House in telling us what it wants the funds for because the purposes are contained in the estimates. That is where they are supposed to be and that should surely be made available to members of Parliament, even if we did not get a chance to vote on the provision of the money. That was taken away by the use, or misuse in this case, in my submission of Section 30 of the Financial Administration Act.

It is my submission that having looked at the abuse of this act, it is not surprising that we have had a change in attitude on the part of the public toward politicians and toward members of this House in general. I have here—

Mr. Reid: I have a hundred letters on it.

Mr. Milliken: Yes, I get a lot of letters on it, too. I am glad the hon. member for St. John's East agrees.

I have here a quotation I would like to read from a recent article by Andrew Love who is a student at Queen's University in my constituency.. It appeared in the most recent publication of *Policy Options* magazine for January, 1991. On page 22 of his article Mr. Love makes the following statement. I will refer to the dates in a moment, but hon. members might want to hear about these dates:

> Consistently over the last decade, Canadians have voiced an ominous degree of resentment against what they consider impersonal and inefficient intrusions by the state in their lives. The most recent Decima Quarterly Report on Public Affairs Trends reaffirms that, due to overt cynicism towards public programs, Canadians are becoming more self-reliant and are rejecting institutional and collectivist options. Close to 60 per cent of Canadians feel politicians are unprincipled, up from 28 per cent in 1980; and 81 per cent think politicians are more concerned with money than with people, up from 53 per cent in 1980. More seriously, only 32 per cent of the respondents thought that politicians were competent, down from 57 per cent in 1980.

From a partisan perspective, it is easy to understand why there has been this loss of confidence, given the actions of this government for the last six years. You will notice the date of the early figures is 1980. Things were a little bit different then.

Now we are faced with a government that, frankly, has disappointed Canadians in so many respects that it is hard to imagine they have the gall to continue without calling an election and proceeding as suggested by the leader of my party a week ago.

The hon. member for St. John's East thinks that I am nervous about the prospect of an election. I want to assure him that that is not so, but it is he that is nervous about the prospect of an election because he knows, as my colleague from Bonavista—Trinity—Conception can tell him, that the Conservative Party is down at 6 per cent, 6 per cent in the maritime provinces including Newfoundland. I am sorry, 8 per cent. They are even lower than the prime rate in the maritimes and the hon. member from St. John's East knows perfectly well that if there was an election tomorrow he would be down the tubes with his colleague from St. John's West.

[*Translation*]

Mr. Saint-Julien: I have 100 per cent in my region.

Mr. Milliken: I don't doubt it. He has 100 per cent in Abitibi. That's great. In Kingston the figures are quite different, I can assure you.

[*English*]

We have a case here of complete loss of confidence and I suggest to the parliamentary secretary and to the ministers, if any of them were here, to listen, that part of the reason for that failure is the fact that the financial administration of Canada, through the use of these warrants and so on, has been fiddled with by the government. People are untrusting of a government that abandons established procedures, changes the arrangements for the protection of the public from the misuse of public funds and fails to come clean with Parliament in its financial dealings.

If there is any place where the government ought to be making clear what it is doing, being honest and forthright in its management of public funds, it is in this House. It is in this place that we are charged with an onerous

responsibility of ensuring that the government is acting properly and of bringing the government to account if it fails to do so.

We, as members of the opposition, are crippled in our efforts to do that if full and complete financial information and estimates and so on are denied to the House.

Here we have a case where Supplementary Estimates (C), which were in draft have never made available. Here we have a case where the government, instead of calling Parliament and dealing with estimates in the usual way, chose to carry on in an unprecedented manner and help itself to the public treasury of Canada by special Governor General's warrants.

I have no trouble mentioning what I have said. The hon. member knows full well that what I have said is correct. He knows that the government did this in a way that was completely unprecedented. I suggest to him it was wrong and the government knew it was wrong. They chose to do it because they had no interest in facing the music that they would have to face in this House. They would have to face Question Period. They would have to face members making speeches on subjects that they did not want to hear about. So they sent Parliament away and said, "never mind, we will just take our money by special Governor General's warrants." The hon. member knows that is correct. He knows that what I am saying is true and if he looked at the record in a non-biased way, he would see that he would agree with me.

What we have here is a case of a floundering government that has failed to deliver on its promises and which has caused this loss of confidence, documented by Mr. Love in the article. I urge hon. members opposite to read it and, perhaps, they could appreciate the position that I have taken in respect to this bill.

To recapitulate then, I have three points. The bill is unfair in that it takes away from Parliament the right to impose taxes on the people. That is a fundamental right of this House and the government is taking additional powers from this House by this bill and in that respect, and particularly in respect of section 6, I believe that is wrong.

We have tried to get some safeguards in it. The amendments that the parliamentary secretary has proposed to mine in which I have improved the bill in my view may help. But we can only hope that they will be construed in the way that it was intended they be when the bill, as it will undoubtedly be, is challenged in a court in Canada.

Second, the omission from the bill of the amendments to change the provisions aimed at special Governor General's warrants which would have stopped their use between sessions of Parliament in my view is a serious omission. Had the parliamentary secretary and his minister—who I am sorry is not here to hear my comments—got together and tackled this problem squarely, they would have realized that it would have restored some confidence in politicians, in this House and in its members.

• (1550)

Had they said: "We will in fact agree to such a restriction on our actions; we will come back to Parliament in future to get our money and stop dishing out the treasury to ourselves by the use of these warrants; we will come up with some amendment that will allow us to use them only in emergency situations, which was exactly the intention of the act", instead of acting as they have in violation of that act. I think we would have felt better about this bill, the public would have felt that perhaps things were not as bad as are shown in these polls, and we would have enhanced the reputation of the members of the House and the government.

I do not like to see the government always looking bad. I would prefer to see it look good and that is why we are here. It may look as though often times our criticisms are always negative, but they are intended to improve the government's performance.

The hon. member for St. John's East should be rejoicing in the fact that we try—

Mr. Duhamel: He is. Look at his smile.

Mr. Milliken: I notice he is smiling—try to enhance the performance of his government because if it is not improved considerably, and I mean perhaps more than we could reasonably expect, his chances of re-election are so slight that I can only sympathize with his plight.

I say in conclusion, we have a bill here that could have been improved in two particular areas. I am sorry that the government has acceded in part to one but failed to act at all in the other. Accordingly, we will be voting against this particular legislation for those reasons,

although some of the initial clauses in the bill that deal with regular and normal administrative matters are sensible and wise. We feel that the omission and the one failure to correct the amendment that I had proposed, are insufficient to bring us to vote in favour of this particular legislation.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I am pleased to have an opportunity to speak for a short while to this bill. I must say that Bill C-91 certainly took me by surprise when I was looking into the subtleties of how this would affect a number of things in my riding of Vancouver East, and in the country generally. I am sure that Canadians —and particularly Canadians in some of the industries that are directly affected and the workers that are directly affected—probably are not aware of the very negative and yet subtle changes that are being brought in in this bill.

I refer of course to the authority that is given under Bill C-91, an act to amend the Financial Administration Act of Canada. It gives authority to the cabinet to impose and increase user fees in a whole range of public services in Canada, services that the public has come to expect, and should expect, as their right and that should be paid for out of the general revenues by all of us who are taxpayers and should not be subject to user fees.

It is not surprising that this government is using this sneaky negative approach to get money out of people and they are imposing a marketplace approach so that people, regardless of their incomes, and corporations and businesses, regardless of their financial position, will be forced to pay user fees for services that they have rightfully expected to be public services and that should be available to them, regardless of income.

I think it is a very important principle of Canadian life and Canadian society. It is a principle that this Conservative government has continued to erode while they have been in power. It was bad enough under the Liberals, but it is becoming even worse under the present government.

Bill C-91 enables the federal cabinet to impose charges against users of government services without coming back to Parliament for parliamentary debate. They can do it *in camera*, in privacy of cabinet with no hearings or consultations with the people who would be directly affected by these increased charges and, of course, with none of the committee process that we feel is very important when new measures are adopted. So in my view, it is a very dangerous bill. It gives the cabinet the chance to increase user fees which may seem to be token fees at this point in some cases, but I am sure will be increased under this budget and will continue to be increased with no public reference at all by the will of cabinet.

I would like to just take two or three examples. The more I thought about this and did a little bit of consultation into matters that I have a particular interest in and people on the west coast have a particular interest in, and I refer particularly to the Canadian shipping industry and also the shipbuilding industry.

I also would like to note that this reference to cabinet secrecy in imposing fees would mean that they could impose it on a whole range of social programs: health care, hospital care and certainly on rights of citizens. We already have user fees, for example, on applications for landed immigrant status, for passports, for taking out citizenship; things that have been the rights of Canadians and should still be the rights of Canadians. We should not be putting a monetary charge on them, they should be part of the services of Canada paid for out of general tax revenues.

I would like to concentrate first of all on the question of the shipbuilding industry. We know, of course, that the Canadian shipping industry is under attack from all sides, as is the shipbuilding industry itself. The government seems bent on destroying this industry.

I have been appalled, when I recall prior to the 1984 election, to when the Conservative platform said they were going to do so much to enhance and restore shipbuilding in Canada. They had what looked like a fairly good program that was part of their election platform at that time. They have gone on to do none of the things they promised and, in fact, step after step have eroded the industry, undermined it and removed the kind of essential subsidies necessary for any shipbuilding in a progressive and western country. I refer especially, of course, to the removal of all subsidies for shipbuilding that other countries know are essential if we are going to have a national shipbuilding program.

Second, of course, from a west coast point of view, the betrayal we felt and still feel because of the cancellation of the *Polar 8*. It is interesting to look back and see that the cost of the *Polar 8* which would have been used to service our north in a peaceful way, to all of the community services in the north as well as act as an ice-breaker, was turned down. Yet, we have been able to find many more millions of dollars than that would have cost to conduct a war in the gulf. One wonders where our sense of values are in this.

I am told that the cancellation of the *Polar 8* has already resulted in massive lay-offs of workers which could total up to 350 more workers, unless the government does something about this.

There has also been no assistance to the shipyards, which have been hit hard and many workers have been laid off. I know in the greater Vancouver shipyards have closed down as a result of this or they have had to curtail their operations and many workers have been laid off.

In the government policy on shipbuilding, and again I refer back to the negative impacts of Bill C-91. We have to remember also that the government has been really unfair in the allocation of contracts for the building, repair and refit of Canadian ships.

I would like to refer to a document I have here called: *The Federal Government Response to the British Columbia Shipbuilding Action Group*, dated February 1991.

The B.C. Shipbuilding Action Group proposed a number of amendments and stressed a number of problems. One of the things they documented was the unfair allocation of contracts that we have in Canada—the Coast Guard ships, the repair, refit and building of Coast Guard ships, icebreakers and naval vessels.

• (1600)

As you know, most of these contracts go to eastern and central Canada and it is, as is proposed in this brief to the government, essential that there be a fairer policy and that the shipbuilding needs, technology and facilities on the west coast be considered as well.

We know also, and this brief stresses it again, that there have been impacts from the free trade agreement on shipyards. This has certainly put B.C. shipyards at an unfair advantage. There is a need for a review of the tariffs on repair and maintenance of vessels. This bill, of course, will add a further hardship and penalties to shipping and to shipbuilding industries. They already, of course, are charged user fees for Coast Guard services, for government wharfs, and for the use of many government services. The use of government facilities for cranes to move containers is another area.

Under this bill not only will the present user fees not be removed, but they will be increased quietly with no public notice and with no chance for the public to appeal them or even be heard as to their impact on an industry that already is suffering greatly and finding it difficult to compete with the American ports and the American shipping companies.

Bill C-91 means that the cabinet will make decisions *in camera* and that it will undoubtedly increase user fees for government facilities and equipment. There is particular concern about the effect on the competition of the port of Vancouver, for example, with the ports of Seattle and Tacoma.

It will also mean added costs for cruise ships in particular. There is a large trade related to cruise ships which stop in Vancouver, and a lot of spin-off business. The cruise ship companies have already complained about the heavy tariffs charged by the Canadian government which risk discouraging their use of Canadian ports. Increased user fees for facilities, which in turn will be passed along to the cruise ships, are enough to perhaps tip the scale and there is concern about the loss of this extra trade in the Vancouver region. I am sure the same thing applies to east coast ports as well.

I would like to take a minute to quote the concerns expressed by the Chamber of Shipping of B.C. regarding Bill C-91. The Chamber of Shipping of British Columbia has a membership of 50 locally based companies, the majority of international shipping companies that serve the B.C. coast and ports. They provide the link for efficient movement of western Canadian resources and goods to overseas markets and are essential to the entire economy of Canada.

The Chamber in a letter of January 28 to the Hon. Michael Wilson states that it has a great sense of urgency to draw attention to the proposed changes of the Financial Administration Act under Bill C-91, which enables the federal government to exercise the imposition of charges against users of government services

without parliamentary debate. It goes on to mention a number of ways the increase in user fees and proposed charges will affect domestic and international shipping under the cost recovery program. It anticipates that this is just the beginning of the escalation of these costs, which will have a very negative effect on the industry. The letter states, and I quote:

> We fear that unchecked imposition of charges against shipping, could well pyramid to a degree that will strangle the ports on both coasts of Canada. Shipping and trade is a major part of the Canadian Gross National Product and diversion of cargoes by United States ports can become a real threat if costs continue to escalate.
>
> Our industry now pays one hundred per cent of the Pilotage costs on the west coast, plus about one hundred and twenty per cent of the costs of running the Vancouver Port Corporation and the Prince Rupert Port Corporation, et cetera.
>
> We feel strongly that authority to levy additional taxes against shipping by way of "User Fees" should be dealt with by Parliament and not by Cabinet without debate.

There you have it. Our party agrees very strongly with the position that the Chamber of Shipping of B.C. has taken. We are very concerned, not only with the present user fees that are being charged, but the authority that is given to cabinet to continue to add to these costs.

We implore the government to give consideration to this. It is not too late. We are at third reading of this bill, and we would like to see this bill delayed until it can be reconsidered.

In view of the philosophy of this bill, it is with great trepidation that we think of what is going to be in the budget today, or even what is not in the budget but what is going to happen despite the budget.

We may see that, for example, there are not drastic cuts in some of these areas, but drastic increases in user fees to increase revenue can be just as devastating to industries and to workers who are being laid off from essential industries.

There are many other areas that will be affected by the increase in user fees and the authority that is given to the cabinet to do this without any reference to Parliament.

For example, in my own critic area of multiculturalism and citizenship, particularly citizenship and immigration, it used to be that Canadian citizenship was regarded as a right. That is, of course, what it should be. It should be a right in Canada.

We should not have to buy citizenship in Canada. We should not have to buy a passport. Surely, being able to obtain a passport is a right. Now, of course—this is just the beginning—we have to pay $25 for a passport.

If a person is applying for citizenship after they have been here three years, if a new immigrant is applying for citizenship he or she has to pay a user fee again to apply for this citizenship, instead of being welcomed by Canada.

What kind of a message does this give to new Canadians who have settled in our land? I spent the last month in my riding dealing with immigrant cases, the very desperate situations of many immigrants—particularly refugees—who have no medical coverage, no money to survive on and who are desperately afraid of their future and who are feeling very insecure.

When these people try to apply for landed immigrant status, even the beginning of the process, even though they may be turned down later, they have to find $250. Undoubtedly, that is going to go up under this bill.

You may laugh on the Conservative side about this, but I am telling you that there are people in my riding who want so much to be in Canada that they will be giving up food for their kids in order to try to find $250 which this government is charging for the right of residency in Canada.

I think that is appalling. It really defeats everything that we care about in Canada as far as the rights of citizenship are concerned.

I could go on and on, and I am sure my colleagues will, about what this means for the erosion of medicare. We already know what has been done to erode transfer payments to the provinces, both under the Canada Assistance Plan and the Canada Health Act.

This government is already eroding health care and basic social services in this country.

Now, we know that the cabinet can go ahead and approve user fees for services for hospitals and for other health care services. Is this the kind of Canada that we

want? The Health Care Act says that there is supposed to be accessibility and universal access to health care.

Yet, it is obvious that quietly—and we do not want it to be quiet, we are going to keep screaming about this—this government is undermining the whole principle of universality, equal access, accessibility, and transferability between provinces, because it is allowing provinces to charge user fees.

• (1610)

I will conclude at this point. I just want to say again that I think Canadians are unaware of the implications of this bill. It is a very dangerous erosion of the very principles of Canadian citizenship. The whole question of the cabinet having authority to charge user fees for essential public services, which our country has regarded as the rights of citizens that should be paid for by the income tax we all pay and tax revenues, is a disgrace. We are very much opposed to this bill.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I understand that this bill is intended to help the government manage its finances more effectively and to help reduce the deficit.

In 1987, the federal government made similar proposals in Bill C-75. Today's policy proposal is very much the same, i.e. cost recovery in the marine and air transportation sectors. Mr. Speaker, instead of opting for additional charges, the federal government should consider implementing recent recommendations by the Auditor General of Canada, which suggested cutting costs and privatizing certain services to save money, instead of introducing additional charges.

Mr. Speaker, I also would like to point out that transportation should be considered within the global and intermodal context, instead of selecting specific sectors such as marine and air transportation. Railway and highway transportation are also very important.

Another aspect that should be considered is our national transportation policy as stated in Section 3 of the National Transportation Act. As I see it, the proposed fee schedule goes against certain elements of this policy. That is particularly true when we read that fares, rates and conditions set by each carrier or mode of transportation shall not constitute an undue obstacle to the interchange of commodities between points in Canada. I must say the timing is very poor, now that shippers are being affected by the recession, soaring gas prices and the crisis in the Persian Gulf.

Mr. Speaker, they now want to charge overhead costs for the use of certain airports in remote areas in Quebec. This will hurt Abitibi and northern Quebec, where the price of a plane ticket will go up considerably.

Mr. Speaker, I received a letter from lawyer Jean Roberge with the Quebec mining association, who wrote the following to the Department of Transport: "In fact, cost recovery will mean increased costs for companies, which we will not be able to recover from customers who can find other suppliers on the international market. In Quebec, the expected cost increase would be at least 15 per cent on top of marine shipping costs of totalling at least 12 million. At this rate, Quebec companies will find it even harder to remain competitive.

The department explained that the cost recovery policy was developed in a spirit of fairness and efficiency. We disagree. We do not think it is fair to apply maximum distances of 300 nautical miles in Quebec, while other ports on our country's coasts are allowed a number well below those 300 nautical miles.

Mr. Roberge went on to say: "The proposed rates will cause considerable harm to the Canadian economy, especially in the primary sector. Canada and Quebec, which rank among the world's major suppliers of minerals and metals, may find their position will start to erode considerably". Those were comments made by Mr. Roberge of the Quebec mining association.

Mr. Speaker, in concluding, I would like to say that the federal Minister of Transport should consider the recommendations made by the Quebec mining association, the Quebec Minister of Transport and my own recommendations, to ensure that Quebec's and Canada's remote regions, as well as central regions like the Port of Quebec and the Port of Montreal, are not penalized by this bill.

The Acting Speaker (Mr. DeBlois): Questions and comments. Resuming debate. The hon. member for Gander—Grand Falls.

[*English*]

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I will try to keep this very short. In fact, I should be able to finish my comment in about five minutes.

It is to present a matter of great concern to me, and to Canadians if they knew what was in the bill. The Financial Administration Act is used not only to levy fees and make charges in this bill, but also to introduce a new element into our legislation.

This new element affects all moneys owed to the Receiver General of Canada—and there is no other way under our legislation to write a cheque to the Government of Canada except to write it to the Receiver General of Canada. All of our legislation that has been passed in this Chamber ever since Confederation, every bit of it, contains regulations that spell out how money is to be recovered by the Government of Canada when it is due to the Government of Canada.

The bill that is being passed here today brings a new element into the picture. The new element is found in a new clause in this legislation called clause 17.1. It brings into play, for the first time in our history, the words "collection agency". The words "collection agency" are defined as a member of the legal profession or as a collector of debts registered within a province.

All of our legislation and regulations that contain provisions whereby somebody can pay back money over a period of time, and each part of our regulations, at least most of them, have a limitation on the collection of debts.

The Unemployment Insurance Act has a limitation of three years, unless it is fraud and then it is six years. The collection of debts relating to the Department of Finance or National Revenue, in the case of somebody who owes money to the Receiver General of Canada for the advanced child tax credit, should never be collected.

People owe that advance because they suffered a tragedy that caused their children to be absent from their homes in the month of January of this year. The legislation we passed in this Chamber in 1988 said that in order to qualify for the advanced child tax credit you had to be a resident in that home and receive family allowance for the following January. Some of the reasons for this absence, most of them disastrous, were fire in the home, family break up, or a death in the home. Sometimes the children were in foster homes. Women, mostly, are now told this month that they have to pay back $2,000 or $3,000 to the Government of Canada.

In the regulations of the Family Allowance Act it is spelled out how that money is to be collected. It is collected by taking the GST credit or the federal tax credit or family allowances over a period of time. Some of these widows who experienced the disaster of fire or death in the home in the month of January owe $4,000 or $5,000.

Now all of those regulations go out the window. All of those Acts of Parliament go out the window. All of those accepted, humane methods of collecting money—and if you do not collect it then you do not get it—now go out the window with the introduction of the collection agency. This is the collection agency bill of the Government of Canada.

The only thing that I can surmise from this is that the Government of Canada is suggesting that perhaps the occupation of the future is going to be with collection agencies. It is a terrible change to our legislation. The Government of Canada should rethink it or not use it when this act is passed.

• (1620)

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I would like to remind our viewers that Bill C-91, of course, is a bill that deals with the administration of public moneys.

[*Translation*]

—the management of public funds and finances.

[*English*]

I wanted to make three points and ask my colleague to react if he would, please.

Our colleague, the member of Parliament for Kingston and the Islands, indicated to the government that this was a good opportunity, if it chose to do so, to correct this special warrants concern he has raised a number of times in Parliament, that is where the government uses special warrants in order to use public funds without referring to Parliament. I am wondering whether or not he would choose, subsequent to my other questions, to comment on that.

The user fees issues is of course one of great concern to me because it is in a sense a camouflage tax. It is a hidden tax. It is an undeclared tax. Many of us will know that the government has introduced 33 tax increases since it came into power in 1984, including the goods and services tax, but no one has really looked at the number of undeclared taxes through user fees.

This is interesting, because if one looks at the public accounts one notes that the government was receiving in 1984 in revenue $70 billion per year. Now it exceeds $120 billion. There has been over a $50 billion increase in the "regular tax increases" of the 33 increases I have mentioned. How many other dollars are there in these hidden kinds of taxes? Is this not perhaps a less than on the table approach to taxation?

I have a number of concerns, being from western Canada, from Manitoba. I have heard colleagues in the House refer to the possible introduction of user fees in health and education, but they have also mentioned shipping and other modes of transportation such as airport and air transportation, transportation by trucks and other modes. They have also mentioned the possibility that user fees be introduced in agriculture, in mining, in communications and in forestry, and I will stop there.

What are the implications for western Canada—all Canada, obviously—where relatively speaking there is a fairly small population base and where the communities are dispersed, small, and frequently very far from each other. I would like to have a comment on that.

I would also like to complete my remarks by asking the following question.

[*Translation*]

I think it is clear the government should correct the deficiencies I just mentioned as, well as others identified by my colleagues, before proceeding with this bill.

[*English*]

Mr. Baker: Mr. Speaker, if I understand the hon. gentleman's question, that they will have to correct deficiencies that are presently in place before this bill can work, I have to agree completely with the hon. gentleman and highlight the following example from this particular piece of legislation.

I refer specifically to section 29.1 in a new clause of this bill, which states:

> A department may, in respect of its approved programs or authorized expenditures, be authorized by an appropriation Act—to expend revenues that it receives in a fiscal year through the conduct of its operations to offset expenditures that it incurs in the fiscal year;

The hon. members who are close to me from Moncton, New Brunswick, know that at this very moment air traffic controllers are holding negotiations with the Government of Canada to talk about wages. If this were correct, it would mean that air traffic controllers in Moncton, New Brunswick—the two members from New Brunswick next to me know exactly what I am about to say—and in Gander, Newfoundland and those air traffic control centres are making a profit for the Government of Canada. They charge air traffic control in this country, in case hon. members are not aware, for every initial contact made on a foreign carrier that goes across the Atlantic from Europe or from Africa or from the Soviet Union. Each initial contact costs that foreign carrier at least $150 per initial contact because of the service provided by air traffic control. But what happens to that money: $150 per initial contact? At about 500 contacts a day, that is about $25 million. Where does that money go?

An hon. member: A month?

Mr. Baker: That is about $25 million, give or take $4 or $5 million. Where does that money go? That money goes into the Consolidated Revenue Fund.

What we have in this bill, as the hon. member just pointed out, is a big fib. The money that goes into the Consolidated Revenue Fund of the Government of Canada is not credited to air traffic control, or we would not have the disputes in air traffic control in this country of not paying adequate compensation, of having to hire air traffic controllers from the United States to come up here, air traffic controllers who were laid off or fired eight years ago by the United States. We are not training enough in this country today, while they make millions and millions of dollars for the Consolidated Revenue Fund of the Government of Canada.

This bill which says the department can use whatever revenues it generates in the expenditures within its department is not correct. I cannot use the word lie, so I had to say it is just a fib in the legislation.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I realize it is very difficult for you to hear, given the volume of the background noise in the House today as we are awaiting the budget.

In the few minutes I have available, I realize that I will not be able to do more than just start my remarks. One of the reasons we are continuing to debate Bill C–91, when it was thought that it was going to pass very easily, that it was only housekeeping measures, is that it was discovered that there is a key clause in the legislation that would allow the government wide–open latitude to charge user fees, to impose new, almost tax regimes on the various components of the government operation.

One in particular is that of the Minister of Transport in terms of the marine industry. Many of us in this House are concerned about its long–term viability. In fact, we are concerned about the short–term viability of the maritime industry, whether it be on the west coast of B.C., the Great Lakes, the St. Lawrence River or the east coast.

This legislation if passed in its current form, particularly clause 6, will make it more difficult for a lot of our industry to survive. In doing so, it will also make it more expensive for many sectors of our economy—the grain sector, the iron ore sector, the coal sector, the potash sector, the forest industry, all of which must rely on at some point in time the shipment of their goods by ships whether it is domestically or internationally. This particular clause 6 will allow the government, through the Minister of Transport and his policies of cost recovery currently working their way through the system, to put the maritime industry in jeopardy.

We might ask why the government is doing so. Why is this particular clause include in this particular bill?

If I can go back to 1985 and another bill, the amendments to the Canada Shipping Act, the government at that time tried to include in the bill a specific cost recovery clause, clause 4. We successfully defeated that clause. We got the government to withdraw it. Through the back door it is now trying to do with this bill what it failed to do with with Bill C–75. There seems to be some confusion in the government's own minds as to what is needed. In responding to the maritime ministry, the Minister of Transport and the President of Treasury Board say that they currently have the legislative authority to enact user pay.

• (1630)

In a letter dated December 17, 1990 to the President of the Treasury Board, the Minister of Transport said the following: "It is my understanding that no new legislative authority is necessary to permit implementation of the department's proposals should it be decided in due course to do so. In the opinion of the Department of Justice, the existing section 19 of the FAA provides a sufficient legal foundation".

The question I must ask is: If they do not need it today, why did they feel they needed it back in 1985 under Bill C–75, the amendments to the Canada Shipping Act?

The government really needs this particular clause in order to have a solid legal basis for implementing the cost recovery measures currently being proposed by the Government of Canada through the Minister of Transport.

It is obvious to me from all the communications I have received from the industry and the communities involved that this particular bill is a serious threat to their economic viability. I indicated yesterday during the clause by clause debate at report stage that the clause should be withdrawn and that we would be quite prepared to proceed to receive third reading as long as that particular clause was deleted from the bill.

I do not know how much time I have left, but perhaps, Mr. Speaker, you might want to call it 4.30.

Mr. Speaker: It being 4.30 p.m., pursuant to order made on Monday, February 25, 1991, the House will now proceed to Ways and Means Motion No. 18.

* * *

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

Hon. Michael Wilson (Minister of Finance) moved:

That this House approves in general the budgetary policy of the government.

He said: Mr. Speaker, my previous budgets have introduced a wide range of fundamental economic and fiscal reforms. Today, I will propose further far-reaching initiatives.

Our policies have been challenging for Canadians and for the government. But they are essential to help our country manage the risks and seize the opportunities of a rapidly changing economic world.

The world economy continues to grow more fiercely competitive. A relentless tide of economic change is having profound effects on people, industries and countries. While the opportunities have increased, so have the risks.

Since my last budget, rising uncertainty has taken a heavy toll on both economic confidence and performance in Canada and around the world.

We have seen international stability shaken by military hostilities in the Persian Gulf and by political upheaval in Eastern Europe and the Soviet Union.

[*Translation*]

Vital negotiations to open up world trade have encountered serious problems, posing large risks to Canada's trade-oriented economy.

As in a number of other countries including the United States, our economy is now in recession. Many Canadians have lost their jobs; many others have lost confidence in the economic future.

[*English*]

And this is happening at a time when some are questioning the future of Canada itself.

And yet, we must deal with the world as it is, and not as we might wish it to be.

Toward recovery

In difficult times, it is easy to lose perspective as well as confidence. But it is times like this when a clear, realistic perspective is needed to rebuild confidence and to chart a sound, sensible course of recovery.

We must not lose sight of the fact that a strong foundation exists for optimism as we face the major challenges that lie ahead.

[*Translation*]

Internationally, the vast majority of countries continue to express their powerful, common interest in maintaining a stable world order and in developing more reliable and open economic relationships.

We are a resilient, resourceful country. A stronger, more confident Canada is well within our reach, if we are prepared to work for it.

[*English*]

During the past year, we have made encouraging progress in reducing both inflationary pressures and interest rates. As a result, the prospects are hopeful for an economic recovery beginning in the second half of this year.

But we must also recognize that hope alone will not be enough.

A time for action

This time of uncertainty and risk is also a time for action, at home and abroad, to solve our problems and restore confidence in our future.

Abroad, Canada will continue to play its part in co-operative efforts to provide greater stability in political and economic affairs. As a vital part of this responsibility, we will continue to support the United Nations' effort to restore peace and order in the Persian Gulf.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): We must and we will provide the men and women of our armed forces with all the support they need to complete this task. We must also be prepared to play a constructive role in the area after hostilities end.

Here at home, we must take further decisive action to move our economy toward early recovery and sustained growth.

* * *

RECOVERY, GROWTH AND PROSPERITY

This budget sets out a Plan for Economic Recovery—a strong, confident recovery that not only puts the recession behind us but leads us forward to continuing growth and renewed prosperity.

Our priority is action to create the essential conditions for recovery. Ours is not a plan for increased spending. That approach has been tried in the past and failed.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): The key to recovery is lower interest rates. The Plan for Economic Recovery will bring about lower interest rates through the following actions:

We will set out clear, achievable inflation targets. Inflation will be reduced to 2 per cent by mid-decade.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): The result of lower inflation will be lower interest rates.

We will put government finances firmly on the course to a balanced budget. We will remove the build-up of the public debt as a source of inflationary concern.

• (1640)

The Expenditure Control Plan announced in the 1990 budget will be extended.

The government will legislate mandatory program spending limits.

We will establish a Debt Servicing and Reduction Fund solely dedicated to offsetting the costs of the public debt. By law, all revenues from the Goods and Services Tax and from privatization will flow into this fund.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): We will severely restrain the operations of government. Operating budgets will be frozen at current levels and the wages and salaries of Cabinet Ministers, Members of Parliament, all Order-in-Council appointments, and all federal public servants will be tightly restrained.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): These measures reflect a fundamental commitment to strong, effective government management and control which will serve Canadians well for years to come.

They will ensure that we achieve key fiscal goals in line with the plan set out in my 1989 and 1990 budgets.

We will eliminate new federal borrowing in financial markets after 1993-94.

We will tightly control spending. Extending the Expenditure Control Plan will limit program spending growth to 3 per cent per year after 1991-92.

We will hold the deficit to $30.5 billion this current year and next.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): That, Mr. Speaker, is despite the pressures of recession. In 1992-93, with recovery and lower interest rates, the deficit will fall below $25 billion for the first time in a decade.

[*Translation*]

This budget will result in a better balance between fiscal and monetary policy. It will provide the lower interest rates and greater confidence essential to our economic recovery.

The economy will recover in the second half of this year and grow strongly in 1992.

Restoring economic growth is essential. But we must go beyond recovery to attain our full measure of prosperity. To do this, we must find a way to get Canadians working more effectively together, in a broad national partnership to meet Canada's competitive challenges—a partnership for prosperity.

We must begin by being honest with ourselves about the challenges we face. We must see our problems as they really are.

[*English*]

The fundamental problem is this: our underlying ability to compete in the world marketplace has been falling behind that of our trading partners.

We have seen how living beyond our country's means can lead only to higher inflation, higher interest rates, less investment, lower consumer spending, slower growth and fewer jobs. All this in turn contributes to a growing burden of public debt.

It is easy to point the finger at others: business and labour at government because of the exchange rate, interest rates and taxes; or business at labour because of wage levels; or labour at business because of high executive salaries and bonuses or inadequate training.

But shifting the blame will get us nowhere. The problems are caused by us all and the solutions must involve actions and co-operation also by us all. There is too much at stake for anything less than a full, national effort.

The government will take the lead in a major national exercise to bring together the ideas and the efforts of Canadians in all walks of life and from all across our country, to strengthen Canada's ability to prosper in a tough economic world.

Before describing the budget measures in more detail, I want to be very clear about why, in a time of recession, it is necessary to call on Canadians to exercise patience and restraint.

* * *

FACING UP TO ECONOMIC REALITY

Without doubt, this is the most difficult of the seven budgets I have presented. Particularly so because of the painful economic circumstances facing Canadians today.

It is clear that the weakness in our economy continued and deepened during the last quarter of 1990. I expect the economy to stabilize by mid-year after a total decline of almost 2.5 per cent in output. The unemployment rate will exceed 10 per cent in the first half of this year and then decline as growth and employment recover.

In the months leading up to this budget, I have talked with, and listened carefully to, people from all across the country. I carried out extensive pre-budget consultations with leaders of organizations representing a variety of business, labour, social and other interests. I hear directly from individual Canadians on a continuing basis, in my visits to various parts of the country, in letters and in many other ways. I have heard the anguish of people who have lost their jobs or their businesses.

While the views that we are hearing on some of the shorter-term policy issues range widely, there is little disagreement on basic issues.

Canadians want a strong, growing economy that provides good jobs and expanding opportunities for themselves and their children. They want a government with the financial means to maintain the essential programs that help to hold this country together.

Canadians know that the deficit and the debt are serious problems that must be solved. They know that firm, determined action is needed to solve these problems. And they believe this should be carried out with the least possible adverse impact on those in greatest need.

[*Translation*]

In designing our Plan for Economic Recovery, I have been mindful of these views. One of the best things we can do to strengthen the unity of our country is to strengthen our economic union and our fiscal position. Our approach also reflects careful sensitivity to the difficulties that many Canadiens are facing today. This is evident in the fact that program expenditures will increase by 6.9 per cent in 1991-92. While this is too high in purely fiscal terms, the reason for the increase can be clearly understood in human terms.

[*English*]

Of a total program spending increase of $7.5 billion, here is where the bulk of the money will go: $3 billion for assistance to the unemployed; $1.6 billion for the elderly; and $1.3 billion for farmers in difficulty.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): We have also allocated $600 million for national defence to meet increased responsibilities in 1991-92.

These four areas will account for more than 80 per cent of the increase in program spending.

In short, the money is going where it is needed, when it is needed.

At the same time, we have acted to ensure that our medium-term goals will not be compromised, as they must not be if we are to achieve continuing economic growth.

Let there be no doubt: The actions in this budget are tough and they are challenging. And I can assure you that government and the people who work for it will feel the pinch. We will have to give better value for taxpayers' dollars.

But Canadians know that finding the solutions to Canada's economic problems will continue to demand the participation and effort of everyone.

In this budget I am asking Canadians to share the burden of further fiscal restraint. I fully recognize the sacrifices that many Canadians have already made in the name of restraint. I know there will be some reluctance to accept the necessity for more of the same.

• (1650)

In earlier times, periods of economic weakness have been occasions for Ministers of Finance to put some extra money in people's pockets, spend more on programs, and worry less about the government's fiscal situation. But in earlier times, we did not have to face persistently high deficits, high public debt and the economic damage that would result from ignoring these serious problems. Let us not forget that during the last recession, Canada's deficit doubled from $14 billion to $28 billion. We are still struggling with the problems this caused.

Our public debt is forecast to reach $400 billion by mid-year—about $15,000 for every man, woman and child in Canada. The interest alone on the debt will eat up more than $43 billion next year—more than we spend on old age security, unemployment insurance and family allowances combined.

[*Translation*]

Since coming to office in 1984, the government has waged a long, uphill battle to reduce the deficit and bring the debt under better control. The growth of the debt has been substantially reduced. The deficit, though still too high, has been cut in half as a proportion of our national income.

Throughout this period, many Canadians have become increasingly concerned about what government can do for them, about the value they are getting for their tax dollars.

This is not suprising. In 1984, the federal government was handling out $1.33 in programs and services for every dollar it collected in taxes. That was no bargain.

[*English*]

We are now paying the price, over and over again, for too many years of consuming more government services than we were willing to pay for—and borrowing to make up the difference.

We must get off this treadmill.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Decisions made in the 1970s and early 1980s that led to the massive debt of the 1990s have taken away many of the choices that Canadians and their governments might want to make today—choices about supporting priority programs and services or reducing taxes.

In my 1989 budget, I set out a medium-term fiscal plan to sharply reduce the deficit and bring an end to new government borrowing in financial markets by 1994-1995. My 1990 budget reaffirmed this plan and introduced a program of expenditure control to meet it. However, revenues are now lower than forecast, expenditures are higher because of the weak economy and debt charges are substantially higher.

If we did nothing to deal with this worsening fiscal situation, the deficit would be significantly higher than forecast over the next five years and the public debt would increase by at least $25 billion more in the same period. This would aggravate all of the fundamental problems that must be solved if we are to ensure a strong recovery. And if we increased our spending still further, the debt problem would be just that much worse.

Instead of lower inflation and lower interest rates, we would be sowing the seeds of higher inflation, higher interest rates and, unavoidably, higher taxes.

Instead of making more room for productive, job-creating investment, we would be crowding out that investment.

Instead of restoring the government's capacity to do the things Canadians want and need to build a stronger economy and a stronger country, we would be weakening that capacity.

Instead of building greater confidence in Canada's ability to deal with its problems, we would be assaulting that confidence in a direct and irresponsible way.

While the detailed policy choices facing the government are difficult, there is no doubt about the broad course that we must continue to follow. We must stay the course that we set out in 1984 and that we reinforced in 1989.

Some hon. members: Hear, hear.

ACTION FOR RECOVERY AND PROSPERITY

Mr. Wilson (Etobicoke Centre): The first challenge is to ensure that interest rates continue to come down. This is the key to our plan for economic recovery.

We are making real progress in the battle against inflation. As a result, interest rates have declined more than four percentage points since their peak last May. But we must now build a stronger level of certainty that a further easing of monetary conditions can be achieved and sustained.

Restoring the financial stability of government is essential to build that certainty.

Extending the Expenditure Control Plan

Sustained expenditure restraint is the key to deficit reduction and debt control. Government program expenditures must carry the burden of restraint.

In the 1990 budget, the government introduced a two-year Expenditure Control Plan that affected a broad range of government spending, with some important exceptions.

The Expenditure Control Plan will be extended. Exemptions will be continued for income support programs for seniors, families and veterans, unemployment insurance, as well as the equalization program and Canada Assistance Plan payments to lower-income provinces. Indian and Inuit programs will also be exempted.

Under the Expenditure Control Plan:

We will extend the existing 5 per cent cap on the growth of Canada Assistance Plan payments to the fiscally stronger provinces of Ontario, British Columbia and Alberta for three additional years.

The existing freeze on total per capita cash and tax transfers to the provinces under the Established Programs Financing will also continue through 1994-95. These transfers will continue to grow with provincial populations.

A number of other programs will remain frozen, including payments under the Public Utilities Income Tax Transfer Act, payments to Telefilm Canada and concessional loan financing by the Export Development Corporation.

Science and technology programs and cash payments under Official Development Assistance will grow by 3 per cent per year.

The existing 15 per cent reduction in planned funds for new social housing will continue.

Grants and contributions to businesses, interest groups and individuals will be reduced by $75 million next year and $125 million thereafter.

In summary, programs which are exempt from the extension of the Expenditure Control Plan, accounting for 60 per cent of program spending, will grow at an average annual rate of 3.9 per cent from 1991-92 to 1995-96. All other program spending will grow at an average annual rate of 1.7 per cent.

In view of our difficult fiscal circumstances, the government has decided to reconsider a number of recent decisions.

We will withdraw the previously announced contribution of $88 million to the Toronto Ballet Opera House, in line with the decision of the Ontario government.

Expenditures under the Green Plan will be spread over six years instead of five.

Funding for the Canadian Jobs Strategy will be reduced by $100 million in 1991-92.

We will delay the provision of financial support for the construction of concert halls in Edmonton and Montreal.

The cultural research institute in Montreal will be delayed.

[*Translation*]

Reforming government management

From the outset, we have recognized that fiscal responsibility by the government means fiscal responsibility in the government. Operating costs have been tightly restrained since 1984 and have actually declined in real terms. This was achieved by reducing the size of the public service, eliminating programs and improving efficiency.

This effort has ben intensified in recent years. Since December 1989, operational restraint measures have been implemented to achieve total savings of $6 billion over a five-year period. Budgets for travel, vehicles and

equipment, supplies and office space have been cut. Government construction projects in the National Capital Region have been delayed.

• (1700)

[*English*]

We recognize that Canadians expect the government to bear its share of restraint. And we recognize that politicians and federal public servants must demonstrate leadership and resolve in helping the country through this difficult period. We are therefore taking further actions to restrain costs and improve efficiency.

The ministerial pay of the Prime Minister and Cabinet members will be frozen for one year.

The wage budgets of departments will not be adjusted in 1991–92 for any increases in costs arising out of new collective agreements. Departments will have to absorb any such higher costs from within existing budgets. Each increase of 1 per cent in average wage settlements across the public service could lead to a loss of about 2,000 jobs.

Over the next three years, the government is not prepared to contemplate wage increases beyond 3 per cent at an annual rate.

Rates of salary increase for the executive category in the public service, deputy ministers and heads of Crown corporations will be limited to a level no higher than the average of negotiated settlements in the federal public service.

The salaries of Members of Parliament and the Senate, which currently increase at the rate of inflation minus 1 per cent, will now increase at a rate which is the lesser of this formula or the average of negotiated settlements in the public service.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): We will eliminate layers of management and reduce the number of senior managers in the public service by 10 per cent.

Capital spending and non-wage operating budgets will be frozen at 1990–91 levels.

We will continue to seek an agreement with public service unions on a work force adjustment policy that will permit the contracting-out of government services where this is shown to be cost-effective. If such an agreement cannot be negotiated, we will introduce legislation to permit contracting-out.

This program of restraint will generate savings of $3.6 billion over the next five years.

Let there be no doubt the government and the people who work in government will be doing their part.

Details of these and related measures will be announced shortly by my colleague, the President of the Treasury Board.

Wage policy

Mr. Speaker, I want to deal briefly with the approach the government is taking in its wage-setting policies. Continuing wage restraint is a key element of our plan for economic recovery.

As a leading employer, the government has a responsibility to ensure that public sector wage settlements do not add to inflationary pressures in the economy. To this end, the government has exercised restraint in federal contract settlements, while maintaining the principles of collective bargaining. Wage settlements since 1987 have been lower than those concluded in the private sector and by provincial and municipal governments.

However, given the seriousness of the fiscal situation, the government believes it must exercise further restraint in concluding wage settlements with its own employees. In taking this step, the government wishes to stress that federal employees are not being singled out for restraint. All Canadians face difficulties during the present period of recession. In the past two months alone, more than 140,000 jobs were lost in the economy. In the current situation, the government must cut back in all areas of spending, including wages.

All levels of government have a responsibility to restrain their expenditures. Let us remember that we all serve the same taxpayer—the same taxpayer who must pay the price when our spending gets out of line. And we will all share the benefits of reducing government spending—the benefits of lower interest rates, stronger growth and lower taxes.

Pay restraint is particularly important at the provincial and municipal levels, including education and health services. Wages and salaries in these sectors account for 45 per cent of all expenditures. Wage settlements in these sectors have been running ahead of inflation and our ability to pay. Some provinces have already introduced programs to limit the pay increases of their

employees. It is vitally important that all provinces take part.

Wage settlements in the private sector have also been contributing to inflationary pressures. Reducing these pressures will help to lower costs and improve our competitive position. This will lead to more growth, new jobs and higher incomes.

Other management and efficiency initiatives

In addition to the measures I have described, the government will proceed with a number of other actions to streamline operations and encourage efficiency as part of our Plan for Economic Recovery.

Revenue Canada will take steps to improve the collection of tax revenues owed to the government. Changes will also be introduced to permit the recovery from tax refunds of debts owing to the government.

New cost recovery measures will be developed in the areas of transportation services and border crossings.

Privatization and Crown corporations

Since 1984, the government has privatized or dissolved more than 20 Crown corporations and improved operations of those remaining. As a result, the number of Crown corporation employees has been reduced by close to 80,000 since 1984–85. In the coming year, the government will continue to divest itself of investments no longer required as instruments of public policy.

The privatization of Petro–Canada will proceed now that legislation has passed.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Legislation will soon be introduced to enable the government to proceed with the sale of its shares in Telesat Canada. The government intends to privatize CN Exploration, a subsidiary of CN.

The Canada Oil and Gas Lands Administration will be disbanded and its responsibilities transferred to other departments. Petro–Canada International Assistance Corporation will be dissolved. With these actions, the last remaining institutions set up under the National Energy Program will be wound up.

The use of Special Operating Agencies will be extended to improve service and efficiency and cut costs, particularly in activities delivering services to the public and to departments. Organizations or functions to be converted to this status include the Canadian Grain Commission, Race Track Supervision, and the Patent and Trademark Office of Consumer and Corporate Affairs. Further candidates for conversion to Special Operating Agencies will be announced in due course by the President of the Treasury Board.

We will also be considering the reorganization of certain aspects of government operations in order to bring government closer to those whom it serves. For example, the National Energy Board will be relocated to Calgary.

Some hon. members: Hear, hear.

• (1710)

Mr. Wilson (Etobicoke Centre): The privatization program has been implemented to date through the Office of Privatization and Regulatory Affairs. Privatization remains a priority of the government. In keeping with our desire to streamline government operations, the functions of this agency will be redeployed. Ongoing and future privatizations will be managed by the Department of Finance under the responsibility of the Minister of State (Finance and Privatization).

Legislating spending limits

The expenditure restraint measures in this budget are crucial to our Plan for Economic Recovery. These measures build on a record of discipline that has reduced annual program spending growth to 3.7 per cent in the past five years compared with 13.8 per cent per year in the previous 15 years.

Having proven that we can manage spending responsibly, we can now provide Canadians with further assurance that future program spending will not get out of control again as it clearly was before 1984.

The government intends to impose mandatory, legislated limits on annual program spending for the next five years. By setting these limits in law, we will ensure that the budget's program spending track will be met. Flexibility will be provided only to meet a very limited set of contingencies that will be defined in the legislation.

This law will bring a significant change to the way government manages its expenditures. While the legislation will not preclude the introduction of new programs to meet new needs, it will mean that the government will

have to fund new programs from within the total legislated spending ceiling.

The government will consult on the precise form this important legislation should take. I will release a draft bill in the next few weeks and at that time provide further details of the consultation process. Final legislation will be introduced later this year.

Allocating GST revenues to meet the debt challenge

The GST has improved the competitive position of Canadian-made goods in both Canadian and foreign markets. We have finally brought an end to the outdated manufacturers' sales tax and the damage it inflicted on growth and job creation in Canada.

I have been particularly encouraged to hear the positive response from a number of export-oriented industries already seeing the benefit of the new tax system. I am pleased, too, at the progress we have been able to make towards a harmonized system with the provinces. First Quebec and now Saskatchewan have decided to adopt the GST structure. This will pay dividends as businesses in those two provinces take advantage of the investment incentives the GST offers. The fact that provincial and federal taxes will be collected by a single administration will mean lower costs for taxpayers. Even more important, small business will be a big winner as the costs of compliance are reduced.

The competitive advantages offered by the GST are clear. At a time when Canada needs to fight hard to maintain its position in the world economy, it is all the more important for other provinces to harmonize their sales tax with the GST. It is good for the provinces. It is also good for Canada.

I am well aware that many Canadians have expressed concern that revenues from the GST might be used to finance new spending programs instead of helping to reduce the deficit. While the legislated spending limits I have just described should ease concerns about new spending programs, an additional safeguard will be provided.

As part of our Plan for Economic Recovery, we will ensure that all GST revenues are allocated solely to the effort to bring the public debt under control. This will be done through legislation to establish the Debt Servicing and Reduction Fund into which all GST revenues will flow. Private contributions for debt reduction and other specified revenues, such as those from privatization, will also flow into the fund. An annual audit of this fund by the Auditor General will be presented in the Public Accounts of Canada.

Establishing national inflation targets

The government and the Bank of Canada have made a clear commitment to achieving price stability in order to promote stable growth, equity and prosperity in Canada. To achieve this, our Plan for Economic Recovery includes further action to reduce inflationary pressures.

The benefits of price stability are enormous. Stable prices will strengthen our ability to compete. They will protect those least able to protect themselves, such as the working poor, the elderly and others on fixed incomes. They will result in lower interest rates by removing the inflation risk premium that lenders demand, thus making home ownership more affordable for Canadians. They will lower the cost of capital, and particularly risk capital, to Canadian businesses. Price stability will help to avoid the wasteful "boom and bust" cycle that rising inflation triggers in the economy.

As the budget papers point out, Canada's inflation for much of the post-war period has compared favourably with other industrialized countries, including Germany. From 1950 to 1973, our inflation rate averaged only 2.8 per cent—better than Japan's performance. There are no insurmountable barriers to attaining price stability.

Accordingly, I am announcing today, with the Governor of the Bank of Canada, that we are establishing intermediate inflation targets to serve as key steps on the way to price stability. We are committed to lowering inflation gradually to 2 per cent by 1995 and to making further progress toward price stability thereafter.

Reducing inflation requires reducing inflation expectations. The adjustment to price stability can be significantly eased by providing the public with specific targets and a clear timetable so that people know what to expect, to rely only on market pressures to bring down inflation expectations, risks an unnecessary period of economic weakness. A smoother and more rapid downward adjustment of inflation expectations will permit a substantial

narrowing of interest rate differentials with the United States.

• (1720)

Reinforcing fiscal stability

The measures in this budget will ensure that expenditure restraint continues to make a major contribution to the restoration of fiscal stability. In my 1990 budget, there were no new taxes. In this budget, there are two specifically targeted revenue-raising measures.

Financing unemployment insurance

The unemployment insurance program is one of the most important elements of Canada's social safety net. In recognition of this, it is required by law that the Unemployment Insurance Account be maintained in a healthy condition on a self-financing basis.

Premium rates were set in 1989 for a three-year period beginning in 1990 on the basis of economic conditions expected at that time. At the current rate of contributions, the unemployment insurance fund would move from a surplus at the end of 1990 to a deficit of $6 billion by the end of 1992 because of higher than expected benefit payments.

We have seen the consequences of failing to act quickly to prevent debt problems from building up. Responsible stewardship requires that we take the necessary steps to ensure the fund remains self-financing. Accordingly, the unemployment insurance premium rate will rise by 55 cents per $100 of insurable earnings to $2.80 for employees. For employers, the rate will increase to $3.92. These measures will take effect July 1, 1991. The after-tax cost of the increase for employees with the maximum insurable earnings will be $2.70 per week.

Increased tobacco taxes

Our national strategy to reduce tobacco use addresses all aspects of the problem of tobacco consumption. In particular, it is aimed at discouraging young people from beginning to smoke.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): It includes initiatives in areas such as public awareness, advertising and crop substitution. This strategy has worked to reduce the use of tobacco by Canadians. Studies show that tobacco taxes are particularly important in discouraging young Canadians from smoking.

Effective midnight tonight, the excise tax on cigarettes will be increased by three cents per cigarette. The excise tax on other tobacco products will be increased proportionately. These increases will also apply to existing inventories of tobacco products.

As a result of an expected continuing decline in tobacco use by Canadians, revenues generated by the measures are also expected to decline in the years ahead. In light of the damage to health caused by smoking, this is one kind of revenue erosion that I am pleased to accommodate.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): As a result of these measures, it is estimated there will be about 100,000 fewer teenage smokers.

[*Translation*]

Provincial capital and payroll taxes

Over the past decade, the provinces have made increasing use of payroll and capital taxes as revenue sources. This has raised two issues for the federal government: whether the federal government should pay provincial payroll taxes; and the impact of increasing provincial capital and payroll taxes on federal corporate tax revenues.

After a review of the issues, I am announcing our intention to continue to pay voluntarily provincial payroll taxes of general application; and to limit the deductibility of provincial payroll and capital taxes from federal corporate income tax.

This limitation will be phased in to allow sufficient time for businesses and provincial governments to adjust, and will be the subject of consultations before it is implemented. It will treat payroll and capital taxes on the same basis as income taxes. This will remove the bias in favour of those deductible business taxes which have substantially eroded federal corporate income tax revenues in recent years. Small business will be protected from the impact of the change. No additional revenue will result for the federal government, but the reliability of federal corporate income tax revenues will be protected.

[*English*]

Assisting disabled Canadians

Since coming to office in 1984, the government has taken major steps to promote equal opportunities for Canadians with disabilities. The Prime Minister has appointed a Minister responsible for the Status of Disabled Persons; we have passed the *Employment Equity Act*; and we have put in place fairer, more generous tax assistance.

In short, this government has done more than any other to improve opportunities and to enable Canadians with disabilities to participate more fully and more fairly in the work place, in their communities and at home.

To build on the progress that we have already made, I am today announcing further positive steps to assist disabled Canadians:

The disability tax credit will be increased from $575 to $700 as of the 1991 taxation year.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): The definition of expenses eligible for the medical expense tax credit will be broadened and will include the cost of part-time attendants in the home.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Costs incurred by employers in modifying their premises to accommodate disabled persons will become fully deductible in the year they are incurred.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Benefits provided by employers to disabled persons to enable or assist them to work will no longer be taxable.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Whether in the design of tax policies or in the development of legislation and new programs for individuals with disabilities, the government has benefited from extensive consultations with groups representing the views and interests of Canadians with disabilities. The government will continue to work with these groups to improve the effectiveness of the tax system in meeting the needs of disabled Canadians.

THE PROSPERITY CHALLENGE

I want to turn now to the challenge of ensuring Canada's prosperity. It is a continuing challenge, but also an increasingly urgent one.

The key to prosperity is to increase our productivity, for this is what will determine our earning power in the years ahead. Despite strong economic growth in the past six years, the growth in our manufacturing productivity was the poorest among the Group of Seven industrial nations.

In our increasingly competitive world, there is no room for complacency; and there is no safe hiding place for uncompetitive industries or countries. We must adapt to the new world reality or fall behind in the effort to preserve and enhance our future prosperity.

This competitive challenge was central to the Agenda for Economic Renewal introduced by the government in 1984. The wide range of economic and fiscal actions taken to implement that agenda have provided a better framework for building new competitive strength.

[*Translation*]

But there are growing concerns from Canadians about our ability to compete. These concerns relate to the broad economic environment, including inflation, interest rates and the exchange rate, and to the structural problems with our productivity performance, including the effectiveness of our investments, the burden of government and the climate for business.

Governments have a responsibility to create an environment favourable to the growth of competitive enterprise. In this budget we are acting to restore fiscal balance and attain price stability. This will strengthen our ability to compete in a tough economic world.

• (1730)

[*English*]

Our ability to compete abroad begins at home. We must maintain and strengthen our economic union. In this and other areas, governments must step up the pace of structural reform. I have been working with my

provincial colleagues to develop shared approaches to basic economic issues. One of the key questions to be faced is this: How much government are people willing to pay for? In our discussions, we are already looking at the rising costs of government and at overlap and duplication. In addition, the Prime Minister has asked the Economic Council of Canada to carry out a major study of the impact of governments on competitiveness.

As a further positive step, I propose to encourage greater investment in Canadian equity markets by making changes to the tax environment affecting pension plans. The aim will be to eliminate the existing bias in favour of debt instruments by pension funds. This will encourage a larger source of capital for equity investments with the potential to make Canadian business more competitive. The government will discuss these proposals fully with interested parties.

But more needs to be done to assure our future prosperity. We need to look hard at the quality of our investments in infrastructure, machinery and equipment, training, education, and research and technology. There are signs that in some areas, such as private sector spending on training and research, we are not doing enough. In other areas, such as education, our level of spending compares well with international standards but our performance appears to be falling behind. In these and other areas, the co-operative efforts of Canadians in both the public and private sectors will be crucial to our competitive success.

[*Translation*]

This is not an issue only for business, labour and government. All Canadians have an enormous stake in strengthening Canada's competitive ability. The perspective of workers, consumers—people involved in every aspect of economic life—will be a valuable part of the process of identifying the problems and developing solutions.

To help assure our future prosperity, the government will launch a national effort to build a new partnership for prosperity that draws fully on the talents and efforts of Canadians in every sector of economic life. As a first step, we will release a discussion paper in the spring to help focus public debate toward the building of a broader consensus on the problems we face and the development of solutions.

[*English*]

FEDERAL–PROVINCIAL FISCAL ARRANGEMENTS

This budget has important implications for federal–provincial fiscal arrangements, and particularly for the system of major transfers: Equalization, Established Programs Financing and the Canada Assistance Plan. These programs account for more than 90 per cent of the funds transferred by the federal government to the provinces to help pay for a variety of programs and services.

For decades, the federal government has provided large and growing financial support to the provinces. Next year alone, total federal transfers to the provinces will reach $36.9 billion, including both cash and tax transfers. These transfers are simply too large to exempt from our expenditure restraint program. The deficit is a national problem and it demands a national solution.

The federal government is not asking more of the provinces than it is doing itself. Major transfers to the provinces, including both cash and tax transfers, will grow on average by about 3.7 per cent per year from 1991–92 to 1995–96. All other federal program spending will grow by 3.4 per cent.

I recognize that limiting the growth of transfers under Established Programs Financing raises concerns about the ability of the federal government to continue enforcing national Medicare principles under the *Canada Health Act*. Legislation will be introduced to ensure that the federal government continues to have the means to enforce these national medicare principles.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): The principles of the *Canada Health Act* will not be compromised.

[*Translation*]

The measures in this budget bring the growth of federal–provincial transfers into line with current fiscal realities. But it is also time to ask ourselves whether the system of transfers and tax arrangements can be reformed to better meet the emerging challenges, priorities and needs of the 1990s and beyond.

In recent months, my provincial colleagues and I have been working together to address Canada's fiscal and economic problems. I have already referred to our discussions on the question of overlapping spending. We are also working in a co-operative way on a number of important taxation and fiscal transfer issues.

[*English*]

Reform of the major transfer programs

The federal government will consider reforms to the major transfer programs within the fiscal framework set out in this budget. We want to ensure that, in the future, the system of transfers:

provides for the sharing of the opportunities and benefits of

Confederation;

supports a more efficient and competitive Canada; and

maintains the principles and standards that are the basis of Canadian citizenship while respecting provincial flexibility.

All Canadians have a stake in these reforms, and we will be considering how best to seek their views.

Discussions on the updating and renewal of the Equalization program are already well under way, and will be carried forward as an integral part of this broader process.

Federal-provincial tax collection agreements

A number of my provincial colleagues have expressed concern that federal-provincial tax collection agreements do not provide enough flexibility for them to meet their own social and economic priorities. Some have suggested that provinces should have the right under these agreements to levy provincial tax on taxable income, rather than on basic federal tax. Indeed, the possibility of establishing separate tax collection systems has been raised by some provinces.

Given the importance of these and related issues, the federal government will seek the views of individual Canadians and tax professionals. We will release a discussion paper in the spring to explore reforms to the tax collection agreements. The objective will be to assess whether the flexibility of these agreements can be enhanced while maintaining the competitive benefits of a tax collection system that is simple, and consistent, and that enhances the accountability of governments. Following these consultations, we will put forward specific proposals.

* * *

ECONOMIC OUTLOOK

Our Plan for Economic Recovery will help ensure that Canada will be a stable, attractive place for investment in new growth, jobs and opportunities for Canadians.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre) The components of our Plan for Economic Recovery reinforce each other. Lower deficits and less government borrowing will mean more favourable conditions for lower inflation and lower interest rates. This in turn will help to reduce the deficit by spurring stronger growth and reducing the interest costs of carrying the public debt.

The economic recovery will begin in the second half of this year and accelerate next year.

Inflation will decline. The inflation rate will decline to 3 per cent by the end of next year and average just over 2 per cent in the three years thereafter. Canada's inflation rate will be significantly less than that of the United States. This will strengthen the fundamentals of our economy and our ability to compete. It will also further ease the pressure on monetary policy.

• (1740)

Interest rates will continue to fall. Short-term interest rates are assumed to decline to an average of 9.5 per cent for 1991, well below the 1990 average of 13 per cent. This will contribute to a rebound in consumer spending and housing starts.

Strong economic growth will be secured. Real output will expand by 3.5 per cent in 1992 and average 4 per cent in the medium term. Real personal disposable income will grow steadily throughout the period. Employment growth will begin in the second half of this year and will strengthen in the years ahead.

I am tabling the budget document including Notices of Ways and Means Motions. Details of the measures are included in these documents.

I will also introduce a bill seeking borrowing authority for the 1991-92 fiscal year.

I am asking that an order of the day be designated for consideration of these motions.

* * *

CONCLUSION

Mr. Speaker, this is a strong budget—a budget for economic recovery.

It deals resolutely with our fiscal challenges.

It imposes strong disciplines on government spending.

It requires vigorous restraint in government operations.

It sets out a clear path toward lower inflation and lower interest rates.

It is designed to give Canadians confidence that we are facing directly our immediate economic and fiscal problems.

[*Translation*]

But it does more than that. It established a clear direction as to how we must face the more fundamental problems undermining the competitive position of our economy, and it is sensitive to those in greatest need.

In short, it will provide leadership and direction in our economic affairs at a time when Canadians are asking fundamental questions about the future of our country.

[*English*]

Our Plan for Economic Recovery is different from those in previous recessions.

Our plan does not have the government throwing large amounts of money at problems. Those are band-aid solutions.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): This government is dealing in a fundamental way with the problems that it can directly influence. This is the best way to generate a positive environment in which Canadians can live and work.

It asks Canadians to do the same in the more positive environment which the plan will foster.

But I would add something else, Mr. Speaker. Too often Canadians complain that some other region of the country or some other group is doing better than they are. The challenge to all Canadians is to do what each of us can do to strengthen our country.

At this time of great stress in our national unity, it is important to put aside jealousies and defeatism and start working together for our country.

Canada has come a long way in 123 years. Let's not sell ourselves short. Let's start thinking positively and take heart from our past success.

We have forged a country that is the envy of the world—a tolerant and open society with the world's second highest standard of living.

This prosperity was put at risk by abandoning the traditional Canadian value of paying our way.

I believe that this budget will help us regain some of the key elements that brought us strong growth in the past—low inflation, responsible financial management and a desire to work together to succeed.

The realization of this can rekindle our pride and give us a solid basis for hope and confidence in the future—hope that is important at this time in our history. For a strong economy will strengthen our national unity—and faith in our national unity will reinforce our economic strength.

We all wish to see a strong, united and prosperous Canada. Our Plan for Economic Recovery will help us achieve that goal.

Some hon. members: Hear, hear.

Hon. Herb Gray (Windsor West): Mr. Speaker, the budget we have just heard is a disaster for the great majority of Canadians.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Gray (Windsor West): This Budget is a real disaster for most Canadians.

[*English*]

The Minister of Finance has just said to Canadians: "If you are out of work or if you fear being out of work, you are on your own."

This Minister of Finance has just said to Canadians: "If you are sick or poor, you are on your own."

This minister speaks of national unity. He is telling Canadians they can be unemployed together. That is all he has to say to them in this budget tonight.

Last year, when the minister presented his budget on February 1990, we said that budget was a blueprint for a made-in-Canada recession. The minister disagreed with us, but we were right and he was wrong because we have a made-in-Canada recession. We are suffering from it because of the policies of this Minister of Finance and his government.

There is no reason to believe—none whatsoever—that the minister knows what he is talking about today any more than he did in that last budget, especially when he says that the budget he has just given sets the stage for recovery and growth.

After all, the minister admits that unemployment under his budget that he gave tonight will rise to double digit levels, to 10 per cent and be almost as high as 10 per cent next year.

This means misery and suffering for 1.5 million Canadians who will be unemployed, out of work, due to this minister's misguided sense of priorities.

He is abandoning working Canadians to the misery he has created and all he has to say to them is that they have to pay more to survive the devastation he has created for them. He is actually making them pay higher unemployment insurance premiums, in effect a tax increase, and at the same time he is cutting job creation programs by another $100 million. This is a real slap in the face for working Canadians.

This minister is extending, for another three years, the freeze in transfer payments to the provinces for medicare and higher education. He is continuing the cap on the Canada Assistance Plan. These are real cuts in federal transfers for vital programs for all Canadians.

• (1750)

This means that the government is not really cutting its deficit, instead, it is once again simply transferring it to the provinces. This means higher taxes for Canadians from their cities and their provinces.

This is a budget without hope, a budget of despair, a budget that leaves a growing number of unemployed simply twisting in the wind. With this budget the Minister of Finance is washing his hands of any responsibility for the devastation he has created with his own made-in-Canada recession.

I say the minister's priorities are wrong when they ignore the need to help unemployed Canadians and when they ignore the need to help this country get out of the recession.

I say this minister with this budget is making it less likely there will be any real progress in reducing the deficit he claims to be so concerned about.

There is no certainty that the minister's policies announced tonight will work to bring about real recovery any more than exactly the same policies had when they were used by the finance minister of R.B. Bennett, the Conservative Prime Minister during the Great Depression. Those policies at that time did not bring recovery. They did not stop the devastation of the thirties and this minister's policies are likely to have no better effect.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): Mr. Speaker, I say by way of conclusion this evening that the 1990 budget of this Minister of Finance created a made-in-Canada recession. But I say that the budget he has presented today is a blueprint for de-Confederation. It is a blueprint for de-Confederation because this budget, in cutting, to all intents and purposes, after a few more years all federal support for medicare, cutting out support in any real sense for higher education, for social assistance is what is causing all too many Canadians to question the need for a national government, a federal government.

I say that the problem is not with our national government. The problem is with this Minister of Finance and his Prime Minister and his cabinet.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): Canadians see this and that is why Canadians will reject this budget. Therefore, I think it appropriate to move:

That this debate be now adjourned.

[*Translation*]

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Motion agreed to.

Mr. Speaker: Pursuant to the order made Monday, February 25, 1991, the House stands adjourned until tomorrow at 2 p.m.

The House adjourned at 5.53 p.m.

HOUSE OF COMMONS

Wednesday, February 27, 1991

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE BUDGET

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, yesterday the Minister of Finance and the government launched a vicious attack on workers across Canada by imposing a 3 per cent cap on Public Service wage increases. They have told every employer in Canada that it is okay to throw away the right to bargain, it is okay to threaten workers with job losses and contracting out. If all that does not work, the government is prepared to interfere with conciliation and arbitration and force workers back to the job.

Workers in every community across Canada will suffer from this cynical severe attack on the hard won rights of workers. When 1.3 million Canadians are out of work, taking purchasing power away from consumers only guarantees that suffering will be even deeper and more prolonged.

The Minister of Finance has told working people they are going to have to swallow the devastating affects of his high interest rate policy, his high dollar policy and his high unemployment policy. They are going to pay twice for the GST; once at the cash register and next in their pay cheques.

Workers in Canada are not going to savage each other to survive, they are going to savage this government.

* * *

GULF WAR

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, yesterday, as Iraqi troops withdrew from Kuwait, pursuant to UN resolution 660, coalition aircraft, including huge American B–52 bombers, dropped cluster bombs and 1,000–pound bombs on the fleeing troops. U.S. airmen said: "We hit the jackpot. It looks like the Iraqis are moving out and we are hitting them hard. It is not going to take too many days before there is nothing left of them."

The Prime Minister, exercising what former UN ambassador Stephen Lewis has described as poodle diplomacy, has refused to state what role Canadian CF–18s are playing in this carnage.

Today, Foreign Minister Tariq Aziz stated that Iraq accepts all relevant UN resolutions. It is now clearer than ever that the U.S. is determined to press on far beyond any UN resolution to achieve their agenda of the total destruction of Iraq's military, political and economic structure.

When will our Prime Minister finally show some independence and tell George Bush that enough is enough, this mad war must stop and that Canada will no longer be part of the killing machine.

* * *

THE BUDGET

Mr. Peter L. McCreath (South Shore): Mr. Speaker, the Minister of Finance is to be congratulated for setting a clear course for recession recovery and the restoration of economic growth and renewed prosperity.

I, for one, was brought up to believe you have to pay your bills and I am sure most Canadians believe their government should do the same thing. The government can serve Canadians best by bringing inflation and interest rates under control. A strong economy is the best road to full employment and prosperity for Canadians. I commend the Minister of Finance for leading the way by freezing his own salary, and I am sure all members will join me in agreeing to the cap on our salaries. It is only reasonable that we should be joined in this restraint by our fellow employees in the Public Service.

The continued cap in growth of EPF payments sends a strong message to the provinces that they too are part of the problem, thus must be part of the solution. The Minister of Finance has set a solid course. Let us all get behind him with our full support.

* * *

[*Translation*]

THE BUDGET

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, yesterday's Tory Budget completely forgot Montreal. In Montreal, the unemployment rate is now 13.4 per cent. The government has made cuts in unemployment insurance, the job development program, social housing, medicare and payments to the provinces.

[*English*]

In a report dated February 4, Statistics Canada said that Montreal had more poverty than any other city in Canada. Twenty two per cent of the residents of greater Montreal live below the poverty level compared to 13 per cent in Toronto. And what is the Conservative government's answer? "Too bad, boys, get help somewhere else. We can find $1 billion for a war in Iraq but we cannot find money for housing, hospitals and jobs at home." God bless Canada.

* * *

THE BUDGET

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I rise today on behalf of all Canadians to demand honesty from this government.

Yesterday, the finance minister announced his plan to slash $75 million this year, and $125 million every year thereafter, from groups working for equality and social justice. But his government has refused to tell Canadians from where those amounts are being taken. Nor will it tell us in the estimates, the traditional forum for revealing the victims of this kind of budget slashing.

What should Canadians make of their government's spineless secretiveness? There is only one conclusion, Mr. Speaker. This government plans to knock off equality-seeking groups one at a time in order to escape organized opposition.

This government was so intimidated by the headline-grabbing protests over last spring's budget proposals to eliminate women's centres funding that it now hides behind the thin veil of ministerial consultation. Canadians are not fooled. They demand to know who is being targeted and why.

* * *

[*Translation*]

THE BUDGET

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I was glad to see that in the 1991 Budget, program expenditures will increase by $7.5 billion in 1991-92, and also that the 6.9 per cent increase over the previous fiscal year will go to where needs are most pressing, i.e. $3 billion for assistance to the unemployed, $1.6 billion for the elderly, $1.3 billion for farmers in difficulty, $600 million to support our troops in the gulf and $1 billion for all other programs.

Mr. Speaker, for the sale of equity, the disability tax credit will be increased by $125 from 575 to $700 as of the 1991 taxation year. This means that federal assistance to disabled Canadians will increase by $35 million per year.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. Girve Fretz (Erie): Mr. Speaker, a headline to a newspaper article reads:

"U.S. firms warned Canada's GST to hurt them".

American companies should wake up and smell the GST, says a U.S. tax expert.

"I think American companies are going to be the big losers under the goods and services tax", said Cliff Massa, a Washington lawyer who specializes in value-added taxes.

Now largely ignored by U.S. firms, the seven-per-cent GST will make Canadian competitors more efficient.

"I do not know why companies here seem so disinterested."

Massa, who has been sounding the GST alarm in the United States for the past year, said Canada's old federal sales tax was a boon to U.S. companies.

"I think everybody understands (the federal sales tax) discriminated against the Canadian manufacturer."

"It has both amazed and frustrated me, in that I don't think Americans have been paying any attention to the GST," said Massa.

* * *

THE BUDGET

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the budget stands as the last will and testament of medicare. It is impossible to conceive the government can surrender its bargaining power of transfer payments and still keep provinces from bolting from the national health care system.

Provinces are being forced to close hospital beds. Deaths occur while waiting for surgery.

This budget will create a two-tier system of health care. Where you live and what you earn will determine your status in the system.

• (1410)

And who will suffer the most? The struggling middle class, the seniors and the poor.

Health care is a fundamental right of Canadian citizenship and now the government is destroying this right. For six years this government has failed to enforce the Canada Health Act. Now we are asked to believe national health standards will be upheld with new legislation.

We do not need new legislation to save us from user fees and extra billing. What we need is a new government.

* * *

AGRICULTURE

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, recently the United States imposed a restriction on Canadian seed potatoes because there were reported cases of potatoes being contaminated with the plant killing virus PVY-N.

The Department of Agriculture has indicated that the infected areas have been clearly identified and the spread of the virus has been confined, ensuring the successful eradication of the disease.

New Brunswick seed potatoes received a virtual clean bill of health as a result of the various tests.

As a result, the Americans amended their restrictions and are now allowing New Brunswick potatoes to cross the border. However, the Americans continue to have stringent controls on P.E.I. potatoes. The lesson for Canada is simply this, that we must ensure top quality products only are exported out of our country into neighbouring countries to ensure quality.

* * *

THE BUDGET

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my constituents in Haldimand—Norfolk were shocked and dismayed at the callous attack the Minister of Finance took on the tobacco farmers and communities of my area.

Did the minister have any idea of the economic hardship that the people of Haldimand—Norfolk have been going through because of his economic mismanagement?

Did he have any idea that the implementation of this tobacco tax would push many of my constituents over the edge into bankruptcy?

Even though the minister collects over $5 billion a year with this tobacco tax, less than $10 million of that is returned to the farmers whose livelihoods depend on it.

Did the minister not know what the impact of his budget would have on the communities and the small entrepreneurs surrounding the tobacco belt?

Did the minister not know that there is anger and frustration and that people are desolate and, in some cases, without hope, and that they are taking this frustration out on themselves and, in some cases, on one another.

Tobacco farmers have subsidized the minister's programs long enough. It is time the minister put his money where his mouth is and either buy tobacco farmers out of give them the long-term certainty that they need to survive.

* * *

THE BUDGET

Mr. Doug Fee (Red Deer): Mr. Speaker, following a budget there is always an outcry from those free spenders who feel the government has unlimited resources. We are hearing this chorus again today, but we are not hearing it from the average Canadian, the taxpayer, the person who pays the bills.

Our taxpayers have had it with government spending and this budget gives them hope.

The Minister of Finance has listened to those who demand that government operate in a more fiscally responsible manner. Business cannot survive if it overspends and neither can our country.

Committing all GST revenue to the debt servicing and reduction fund is a positive step. Canadians do not like taxes and appreciate the legislated assurance that GST revenues will go toward debt reduction and not new spending.

For the first time, we will put a ceiling on how much politicians can spend. My Private Members' Motion No. 684 asks for this and I am pleased to see it included in the budget.

The country faces difficult times and the minister has chosen to make tough decisions and thinking Canadians are going to support him.

* * *

THE BUDGET

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the champagne bottles were popping all night in the boardrooms of The Business Council on National Issues and the Prime Minister's friends.

Unscathed in their tax shelters, big business has been toasting their beloved Minister of Finance. He has relentlessly unleashed devastating fiscal bombs on the working poor and middle class Canadians.

Budget damage assessment will show that he has inflicted severe hardships on just about everybody except his cronies, the 150 members of the BCNI—and the deficit.

The Minister of Finance said last night and I quote:

> I have heard the anguish of people who have lost their jobs or their businesses.

Yet, while the unemployed line up at the food banks, I can only hear Tom d'Aquino and his gang clinking the glasses of their tax-deductible cocktails.

THE BUDGET

Mr. Stan Wilbee (Delta): Mr. Speaker, I rise today to commend the finance minister on the new tax measures he has introduced to assist disabled persons.

Last June, the Standing Committee on Human Rights and Status of Disabled Persons chaired by our colleague, the hon. member for Oxford, tabled a report calling on the government to make the economic integration of disabled persons a national priority.

The important new steps taken in yesterday's budget constitute one element of this strategy to promote equal opportunities for Canadians with disabilities.

They build on an impressive series of initiatives to improve the quality of life of Canadians with disabilities and remove barriers to their full participation in our society.

By assisting both employers and employees, these new tax measures will help ensure that disabled Canadians have equal opportunity to participate in the workforce.

* * *

FILM INDUSTRY

Ms. Mary Clancy (Halifax): With the Tories' cut of $28 million to Telefilm Canada, Canadian film makers will be singing the *Bye, Bye Blues*.

Since this government entered into close trade relations with the Americans, Canada's film industry has suffered from the divided loyalties. The government first cut the tax incentive program for film and video production which was $200 million yearly.

Then it failed to produce distribution legislation to increase the number of Canadian films on our screens to 3 per cent against its own task force recommendations and promises but close to the heart of the finance minister's American cousin, Jack Valenti.

Not only could the Telefilm freeze impact on the feature film industry, but it also could become *une histoire inventée* for the CBC as it receives about $31 million yearly from the broadcast fund.

It is clear to this side of the House that this government is editing its film policy and determined to leave the Canadian film industry on the cutting room floor.

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

Ms. Sheila Copps (Hamilton East): Mr. Speaker, let's get one thing clear.

Some hon. members: Oh, oh.

Ms. Copps (Hamilton East): Canadian consumers did not cause this recession. World stock markets did not cause this recession. The Persian Gulf crisis did not cause the recession.

If the Minister of Finance wants to know who caused the recession, he should buy a mirror, pay the GST and look in it because he made this recession.

I ask the Prime Minister why, in this time of recession, he allowed the Minister of Finance to cut social and job programs at a time of devastating unemployment. Why did he allow the Minister of Finance to cut housing programs at a time when emergency shelters are bursting at the seams?

Why did the Prime Minister approve a budget which attacked the victims of the very recession he and his government created?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I might remind the hon. member of something that she said about a year or so ago.

She said: "We face the danger point with the deficit." She went on to say: "I think it is important for any leadership candidate to go to the country and to preach fiscal sanity."

Some hon. members: More, more.

Mr. Wilson (Etobicoke Centre): I would also draw to her attention comments that were made yesterday by representatives of the provincial government that is the greatest amount in debt and the one that is facing the same type of problem that we are in the federal government.

Mr. Hubert Kitchen, the Minister of Finance of the province of Newfoundland, said: "Mr. Wilson's budget is quite a responsible one given the times in which we live and given the essential importance of all governments in Canada of living within their means. I think he has made a sincere attempt at that. I think we should give him credit for attempting to do better."

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): This is the essential choice that Canadians face. We either live within our means, or we move to the approach that the hon. member is suggesting that we take of saying: "Let's forget about fiscal sanity," to use the words that she used last March.

We must realize that we had been running, until 1984, government spending far too quickly, averaging 13.8 per cent per annum. It is important that Canadians and the hon. member for Hamilton East understand the significance of this budget in getting us back to fiscal sanity.

• (1420)

Ms. Copps (Hamilton East): Mr. Speaker, his interest rate policies have failed. His employment policies have failed. His tax policies have failed. This is a minister who is not in a position to talk about fiscal sanity.

Could the Prime Minister explain why he is allowing the Minister of Finance to destroy our country's system of universal medicare? How can the Prime Minister pretend, on the one hand, to support universal medicare and then destroy funding for it? How can the Prime Minister tear the heart out of our health care system at a time when the very nature of the country depends upon the hallmark of decency and caring that is reflected in our health care system?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, how soon former Liberal leadership candidates forget what they once said.

According to the Manitoba *Dauphin Herald*, when the hon. member opposite was running for the leadership of the Liberal Party, she said this: "Copps said if she is Liberal leader and Prime Minister, she will reform the income tax system and cut government spending instead of imposing a tax".

How soon they forget.

What threatens the social programs that are important to Canadians is the fact that out of every dollar that goes to Ottawa in tax revenues, the first 35 cents goes just to pay the interest on the national debt. That means that each Canadian, every man, woman and child in this country, has a debt in Ottawa of over $15,000.

How much higher is the hon. member prepared to see that go, or will she be honest with Canadians and say that it is time that this generation started to pay its own way?

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Prime Minister, who was supposed to be responsible for Canadian unity. He knows this Budget is not only anti-Quebec but anti-Canadian as well. The federal government is forcing the provinces to introduce user fees. It is forcing them to cut health care by cutting its health insurance program. The federal government cuts payments and still asks the provinces to provide the same services. Could the Prime Minister inform the House, at this difficult time in Canada's history, why he is attacking health insurance, the only program that unites Canadians in Quebec, Ontario, western Canada and the Maritimes? The only program in which all Canadians really believe? Is the Prime Minister going to tell us he is willing to sacrifice the health insurance program to the national debt?

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, this is not the first time that members opposite have taken the approach of trying to frighten the elderly, the sick and the poor. It is a tactic that is reprehensible. It was a tactic that was followed by them in the last election and was rejected by Canadians then. It will be rejected by Canadians now.

The federal government is not asking the provinces to do anything that the federal government is not prepared to do itself. Transfer payments to the provinces will go up by some 3.7 per cent, while spending on federal programs will be going up by 3.4 per cent. Mr. Speaker, if you look at the cost to the provinces, this amounts to less than one-half of 1 per cent of provincial revenues. And to suggest that this is the death-knell of medicare is simply Liberal scaremongering once again.

Some hon. members: Hear, hear.

Mr. John Manley (Ottawa South): My question is for the Minister of Finance, who seems to enjoy quotations.

Back in 1982 when he wanted the job of presenting budgets, he said this: "The government must begin to realize that it is individual people who are being hurt. We cannot stay here in an ivory tower in Ottawa; we must deal with individual Canadians who are losing their jobs and their businesses."

Can the minister explain how a $100 million cutback to the Canadian Jobs Strategy and interest rates which he projects to be in excess of 10 per cent will help individual Canadians keep their jobs and businesses?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend should search a little longer for quotes, because I think he will find that consistently through all my time in government I have been cautioning about the growth of deficits and debt.

When we faced the preparation of this budget, we were looking at a budget deficit of $35 billion, which we have been able to bring down to a deficit of $30.5 billion.

What I am hearing from hon. members opposite is that they would want to increase that deficit from $35 billion to $36, $37, $38 billion. That is completely unacceptable. That would result in an increase in interest rates, and the people he is referring to in that quote he took of mine would be the first ones who would be hurt.

We have designed this budget to bring interest rates down. We are doing that through legislated controls on government spending, through getting the deficit down from where it would have been and getting it down even further next year, and by bringing in inflation controls, inflation targets, which are designed to bring interest rates down. That is the fundamental difference between the government on this side of the House and the Liberal Party on the other side of the House. We are going to bring down interest rates to ignite the economy. The Liberals on the other side would just spend their way into oblivion.

Some hon. members: Hear, hear.

Mr. John Manley (Ottawa South): Mr. Speaker, the minister's problem is that he thinks deficits are about numbers. Deficits are also about people.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Manley: According to yesterday's Budget, even if economic recovery begins in the second half of this year, we will still have a million and a half unemployed in this country.

Mr. Speaker, I have another quote. The Minister of Finance also said, and I quote:

[*English*]

"When people are struggling for survival, when people fear that they will lose their jobs, there is not much trust".

[*Translation*]

In light of what he said, could the minister explain how his Budget could give a million and a half unemployed Canadians and their families any reason to trust the government?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, in the 15 years leading up to 1984, what we saw—

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I am going to show hon. members how this is very relevant to today.

An hon. member: You haven't been right on a prediction yet.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, in the 15 years up to 1984 government spending increased at 13.8 per cent per annum, year in and year out. According to Jeff Simpson this morning, he said: "Ottawa became a fiscal cripple in the years 1975 to 1984 when the federal government accumulated nearly $200 billion worth of debt".

The message here, which is totally lost on the Liberals on the other side of the House, is that choices they and we might want to make today have been taken away from us by the runaway spending during that time as the debt built up.

If hon. members do not understand that lesson of the past, they are living in another world.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Finance. The Minister of Finance talks about choices. He talks about making these choices but not having any room to move. There are over 1.5 million Canadians who have no choice because they have no job.

I want to say to the Minister of Finance that certainly the Liberal government during the last recession also, I might add, capped old age pensions and family allowances, cut wages, put over a million Canadians out of work. At that time this Minister of Finance said to the then Liberal government: "Why is it that the Liberal government continues to take Canadians to the edge of a cliff and push some of them off?" That is what Canadians are asking this finance minister and this Conservative government.

• (1430)

My question to the finance minister is simply this: Why in this budget is there not any programs to get Canadians back working? That is the choice this minister should be giving Canadians, the choice of a job.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, unfortunately I have to say that my friend opposite totally misunderstands this budget. The essential objective of this budget is to get those Canadians that she is talking about back to work by bringing about lower interest rates. By bringing about lower interest rates we can give the greatest amount of stimulus to the economy that we can.

What I am hearing from my hon. friend is that she would take that $35 billion deficit we are starting with this year, sprinkle around money through all parts of the economy, build it up to about $37 billion or $38 billion. The result of that would be higher interest rates, which would totally overwhelm the limited benefits of that additional spending.

That is the direction we are going with this budget. It is designed through the spending caps, through the reduction in the deficit and the inflation targets to get interest rates down and to keep down in the broadest possible way.

Hon. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker, for the Prime Minister.

The Minister of Finance says that creating 1.5 million unemployed is creating prosperity. When the interest rates were even higher, he told us we needed the high interest rates because that was going to be better for the economy. Now he tells us he is going to lower the interest rates with which we agree, but he still says we

have to have over 1.5 million unemployed. This is totally unacceptable.

I want to ask the Prime Minister who, just two weeks ago, told Canadians in a major speech in Toronto that a major part of national unity was to continue the Canadian tradition of national standards and singled out health care and the environment in particular.

How can the Prime Minister seriously talk of national unity when this budget helps to destroy medicare, does not do anything for the environment and does not have any job creation at all? How can he speak of national unity when he cannot even provide jobs for Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that the Minister of Finance indicated that we must have 1.5 million people unemployed. That is a complete distortion. He never said any such thing, and I know that my hon. friend—

An hon. member: Oh, oh.

Mr. Mulroney: He never said any such thing and I know that my hon. friend at an appropriate time will want to rise and correct the impression that she has given because it is completely inaccurate.

In point of fact the figure of 1.5 million is, however, applicable because it is just about the number of new jobs created by this government since it was sworn in, in 1984. That job creating record was the best of all the OECD countries and led the G–7 with the exception of Japan.

We are now in a recession, which we have acknowledged. We are going to work our way out of it in the real world not by promises of some better day to come by spending borrowed money, but by getting interest rates down, re–energizing the private sector, attracting international investment, and creating durable jobs.

Hon. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker, for the Minister of Finance.

There are many ways that the Minister of Finance can justify his budget, but it is the Minister of Finance who said that he projects 10 per cent unemployment. That means about 1.5 million Canadians unemployed. I am not suggesting he likes it, but that is his projection and so he has projected a budget based on a high unemployment rate.

I want to ask the Minister of Finance another question.

[*Translation*]

In 1982, the current Secretary of State for External Affairs told the Liberal government that it was asking low and middle–income Canadians to shoulder more than their fair share of the burden. Yesterday, the Tory government made the same mistake. The disadvantaged and the middle class are still footing the bill.

My question is directed to the Minister of Finance. Why didn't the government decide to get rid of corporate tax loopholes in this Budget?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not know how many times I have to say it to the hon. member. The essential purpose of corporate income tax reform was to close a number of the loopholes that she talked about and was quite correct back two or three years ago, but we have seen many of those loopholes closed. We have the banks, which at that time were paying no tax, paying about $1 billion worth of taxes this year.

We brought in the large corporations tax. That is covering all corporations that have capital over $10 million. We have seen in this last year where corporate profits have fallen by about 40 or 50 per cent, but corporate income tax revenues have only dropped about 5 per cent. Why? It is because they do not have the same loopholes that they had before. They have been closed by this government.

If she has any other loopholes she wants us to close, she should bring them to my attention. I would be very delighted to listen to them and respond if it is appropriate.

Some hon. members: Hear, hear.

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

The Minister of Finance in the province of Newfoundland may be impressed with this budget, but the people of Newfoundland and Labrador know that this is the mother of all budgets.

Some hon. members: Hear, hear.

Mr. Tobin: What we see is the Minister of Finance and his budget in full retreat in the face of the recession. This minister has forecast a 10 per cent unemployment rate, a 10 per cent unemployment rate at the same time that job strategy has been cut by $100 million.

My question is the following: Why is this government preparing to abandon 1.5 million unemployed Canadians on the battlefield of his made-in-Canada recession, made by this Minister of Finance?

Some hon. members: Hear, hear.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I want to remind my hon. friend the last person who used the expression "the mother of all wars" just got wiped out.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Possibly my friend will wear his beret into the House tomorrow. He has the moustache.

Some hon. members: Hear, hear.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Yes, Mr. Speaker, the Minister of Finance is very fast. Saddam promised the mother of all battles. He delivered the mother of all budgets. And they are both in full retreat.

Some hon. members: Hear, hear.

Mr. Tobin: Mr. Speaker, the simple fact of the matter is that this minister—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member.

Mr. Tobin: Mr. Speaker, the simple fact of the matter is that the government that promised jobs, jobs, jobs is now preparing to leave 1.5 million Canadians unemployed, without shelter, without hope.

Why has the government cut $100 million from job development? Why has this government increased UI premiums by 24 per cent at a time when Canadians are being told they are to expect no hope, they are on their own in the face of this recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member is wrong again.

• (1440)

Hon. Michael Wilson (Minister of Finance): We are reducing the budget of the Canadian Jobs Strategy, that is correct. However, at the same time, we are adding moneys to the amounts that we are putting into training because of the amounts that we are spending in the unemployment insurance fund. We do not like to reduce that amount of funding in the Canadian Jobs Strategy because it is a good program.

Mr. Tobin: Why are you doing it, Michael?

Mr. Wilson (Etobicoke Centre): Well, I will tell you why we are doing it. The fact that we are doing this demonstrates the serious nature of the deficit and debt problem.

My hon. friends opposite are being presented with a choice; they can have a healthy economy through lower interest rates or they can have an economy that is going to drag along with high interest rates. The approach of the Liberals and the New Democratic Party as well is to spend, spend, spend, hoping that we are going to get ourselves out of a problem. All it is going to lead to is higher interest rates and a continuation of that problem.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, my question is for the Minister of Finance. This budget is a direct attack on the labour movement in this country. The government has effectively declared war on its own employees.

In 1989, more than 68,000 Public Service employees earned less than $30,000 and, interestingly enough, two-thirds of those employees were women.

In light of this, would the Minister of Finance now admit to this House that these measures are aimed solely at the total destruction of the union movement and their rights to bargain in good faith?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Obviously, Mr. Speaker, the government will admit to no such thing. If you have read the budget this year and if you have read the budgets of last year and the year before, you will realize that we are facing a difficult fiscal situation, largely due

to the very large debt, whether you like it or not, that was left to us by your regime.

To illustrate the dimensions of our problem, in order to service that debt next year we will have to pay in excess of $43 billion. This is a very difficult situation at a time when Canadians are being laid off and losing their jobs, when some are reopening agreements in order to help their companies along. We have had to take difficult measures.

We are not attacking our Public Service, far from it. We are asking them to help us in solving this problem for all Canadians.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, my supplementary is for the same minister.

The government's own Labour Canada statistics confirm that the federal employees' wage settlements have fallen far behind both the private sector and the public sector. Based on these figures and those in my previous statement, will the Minister of Finance now agree to abandon these ridiculous plans to control the federal Public Service wages before its own employees take them to task?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, we have not decided on a wage freeze. We have said there would be a cap on the wage budget.

That being said, I will agree with the hon. member that we have negotiated with the Public Service unions very good agreements. I am proud to say that we have negotiated them below inflation rates. We have managed better than the private sector. We have managed better than other governments and other administrations.

That being said, we are still faced with a fiscal situation. Everybody must bring its share to the solution of that problem. We are taking our cuts and we are bringing in our share. We expect all the employees to participate. I met with all the union leaders this morning except one and we had a very frank exchange. I am very confident that together we can manage this situation.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, Canadians needed a budget of hope to get people back to work. What they got was the same mean ideas which had shut plants, lost jobs and destroyed hope for people right across this country.

My question is directed to the Minister of Finance. In the budget and in Mr. Crow's news conference today, the government committed itself to inflation targets. Will the minister show that he cares about jobs and commit himself to reduce unemployment by setting unemployment reduction targets for this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, there is a booklet with the budget called *Canada's Economic and Fiscal Performance and Prospects*. I refer him to page 37 where there is a chart which shows the inflation record of this country in the 1950 to 1973 period and the impact that that had on the economy. Inflation was 2.8 per cent. The deficit, by the way, was at zero.

Federal programs spending was at a low level relative to the size of the economy. Labour productivity was nearly three times what it was in the 1974 to 1984 period, and the growth in the national income was 5.2 per cent in real terms as opposed to 3.3 per cent in real terms in the 1974–1984 period. During that same period the unemployment rate was a good deal lower than it was during the 1974 to 1984 period. That, demonstrates as clearly and as succinctly as I can the benefits of low inflation.

Mr. Steven W. Langdon (Essex—Windsor): In fact, Mr. Speaker, in the minister's own budget, he projects a 10 per cent unemployment figure and what is worse a 9.8 per cent unemployment figure for next year. Is it not possible for this minister to recognize that there are people hurting across this country, that the anguish that he talked about in his speech is real? Therefore for this minister, it should be just as important to put inflation targets into effect, yes, but just as important to put unemployment targets into effect. Will this minister in fact do that? Will he stand up in the House and commit himself to such targets?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do recognize that Canadians are hurting. I have heard very directly of the anguish of people losing their jobs and losing their businesses. It is precisely that which drives me to bring in the type of budget we brought in yesterday. It is because this budget is going to bring down interest rates. It is going to bring down inflation. It will result in the employment growth that my hon. friend would like to have.

Now, he shakes his head because he does not understand the approach that we are taking. What his—

Some hon. members: Oh, oh.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, yesterday in his Budget speech the minister justified cuts in spending on the environment as follows: "Since the Green Plan was announced, the economic situation has deteriorated." Mr. Speaker, the Green Plan was announced only two months ago. What does the minister know today that he didn't know two months ago? And what should the minister have known in December that he knows now?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, the hon. member for LaSalle—Émard is aware that these are difficult times for the economy, and the Budget reflects the measures the government must take to deal with a difficult situation. As far as the environment is concerned, we should recall that yesterday's Budget reconfirmed the federal government's commitment to injecting $3 billion into the Green Plan over a period of six years instead of five. We should also remember that all initiatives described in the December Green Plan will be maintained by the government, and we intend to act on every one of these initiatives.

• (1450)

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I cannot believe that an intellectually bankrupt Minister of the Environment stands up to defend an intellectually bankrupt Minister of Finance.

In December, the Minister of the Environment told us, and I quote: "All the moneys for the Green Plan have been committed for the next five years". Now the Green Plan has been trashed. Why? Because Finance has told us that the fiscal deficit is more important than the environmental deficit.

Well, since the minister wants to answer, will he tell me this. Does the minister agree that the fiscal deficit is more important than the environmental deficit? Does he agree that there are no economic opportunities in environmental technologies? Does he agree that there are no economic costs in the environmental deficit? Is this minister happy being the lapdog of his colleagues?

[*Translation*]

Is the minister glad to be Environment's Marcel Masse?

[*English*]

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, in the fiscal year just ending, the Government of Canada will spend $1.3 billion on the environment. Given the fiscal plan that was put forward by my colleague, the Minister of Finance yesterday, that will be increased in the next fiscal year by $250 million.

I will spell out exactly what that means for my hon. colleague opposite. That is an increase of 20 per cent. And yes, I believe this government is firmly committed to the environment. Look at the numbers and watch us go.

[*Translation*]

Mr. Ronald J. Duhamel (Saint-Boniface): Mr. Speaker, my question is directed to the Minister of Finance.

[*English*]

A little more than a year ago the Prime Minister stated and I quote:

> In our second mandate, we are going to focus more and more of our attention and resources on the fundamental building blocks of a competitive society—(on) long-term investment in people, skills training, education, research and development.

Yesterday's continued freeze on transfer payments for education, as well as a $100 million cut in training completely contradicts the Prime Minister's statement. Why? Why this flagrant contradiction?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, first of all, what my colleague has said is simply wrong. The transfer payments to the provinces will increase by 3.7 per cent over the next four years.

Mr. Mulroney: They are not frozen.

Mr. Wilson (Etobicoke Centre): They are not frozen. They will be going up.

My colleague from Winnipeg says that is less than the inflation rate. No, that is greater than the inflation rate.

I appreciate that my hon. friend has not read all of the aspects of the budget. But if he would read this, he would see that one of the principal components to improving the competitive position of an economy is to get the macro-economic elements right, that is, low inflation, low deficits, low interest rates. These are all key elements to improving the competitive position. They have to be done in conjunction also with improvements in education, science and technology and things like that. However, we must get the macro-economic elements right and that is what this budget is designed to do.

Mr. Ronald J. Duhamel (St. Boniface): How the Minister of Finance can know that the transfer payments are going to be more than next year's inflation rate is beyond me and, I suspect, beyond most Canadians.

[*Translation*]

I have a supplementary. According to the Association of Universities and Colleges of Canada and the Canadian Federation of Students, there will be a massive increase in tuition fees and student debt as a result of the freeze announced by the government. The total increase per student will be at least $1,000 by 1995. Will the minister confirm that from now on, the rich will have better access to education while the middle class and low-income Canadians, especially in poor provinces like Manitoba, will end up being left out altogether?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me remind my hon. friend again that the major transfers to the provinces will be going up by 3.7 per cent.

An hon. member: Not frozen.

Mr. Wilson (Etobicoke Centre): The hon. member raises certain aspects of the impact of this. Those are the responsibility of the provinces. The provinces have to decide how they are going to manage their own fiscal position. I would say to my hon. friend that it is important that the provinces also restrain their spending because their spending has been increasing at almost double the rate of the federal government's spending.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Minister of Finance. The minister said in response to my leader, and he was careful in what he said, that he had closed some of the loopholes in the tax system that were put there by the Liberal Party over 15 years. But he has not closed all of them. The minister either never reads anything or he has deliberately ignored the many recommendations that have been made to him over the course of the last few years about other loopholes that could have been closed if the minister was serious in his rhetoric about distributing the burden of deficit reduction.

Why did the minister not eliminate the business and entertainment tax deduction, the dividend tax credit, the manufacturing and processing tax credit and the tax breaks that exist for real estate developers in this country, many of whom have become millionaires at taxpayers' expense? Why did he not eliminate those tax breaks if he is serious about everybody contributing to deficit reduction?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member has raised four different, what he calls, loopholes. If he wants to raise these in committee, I would be glad to give him a specific response.

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): I do not think the Speaker would allow me to give a full response, but I will start anyway. Let us start with the manufacturing and processing deduction. This is designed to put our manufacturing industry on a competitive tax basis with the manufacturing industry in the United States. If this was removed, the tax rates of the manufacturing sector would increase significantly. That would result in job losses here in Canada. It would result in the creation of jobs in the United States.

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member will put his question please.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the Minister of Finance knows full well that that tax credit was put there partly in response to the manufacturing sales tax, which has been eliminated. Therefore, the need for that tax credit has also been eliminated.

How does the minister have the nerve to come before this House today and yesterday and talk about burden sharing and deficit reduction and not ask of the business community, his friends over at the BCNI, one single sacrifice? How does he have the nerve to talk about

deficit reduction and not ask them for one single sacrifice?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member says that the manufacturing and processing tax was brought in to offset the manufacturers' sales tax. That is wrong. The manufacturers' sales tax was brought in in 1926. In the late 1970s the government brought in this manufacturing and processing tax to offset a new export enhancement tax that the United States had brought in. It was designed to put the American and Canadian tax position for manufacturing companies on the same basis so we did not lose jobs to the United States.

If my hon. friend wants to lose jobs to the United States by jacking up the taxes in this country, let him have it, but please do not do it to this country and government.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, the federal-provincial implications of this budget reek with arrogance—

Some hon. members: Oh, oh!

Mr. Bouchard (Lac-Saint-Jean): If I may, Mr. Speaker, the budget's federal-provincial implications reflect an incoherence which borders on arrogance. On one hand the government reduces its contribution to provincial health insurance programs, on the other it seeks additional powers to dictate to the provinces their expenditure level and program contents. How can the government justify its intention to pay less and control more at the same time?

Mrs. Marie Gibeau (Bourassa): Lucien, ask for the CNTU's proper interpretation of that!

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the hon. member should be aware of the fact that the federal government continues to increase transfer payments to the provinces.

• (1500)

The federal government will be holding federal program spending to a 3.4 per cent year over year increase. It will be increasing transfer payments to the provinces by 3.7 per cent.

In the case of EPF, we will be transferring some $20 billion, $14 billion of which is for health care. I believe the taxpayers of Canada have a right, when $14 billion of their money is being spent, to set minimum national standards to be met for all Canadians.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, I assume that this is the renewed federalism the government has been dangling in front of Canada and the provinces: The provinces pay the bills and Ottawa makes the decisions.

[*English*]

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I am somewhat embarrassed to even point this out to my hon friend, but it says in *La Presse* today: "A budget, honest, which looks far into the future. Wilson gives an example."

What we are trying to do here is demonstrate to Canadians the essential direction that this country has to take to strengthen national unity and our ability to work with the provinces in support of the traditions and the principles that are important to this country.

My hon. friend says he wants more flexibility for the Canada Health Act. Is he saying he is in favour of user fees and extra billing?

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am rising on a point of personal privilege.

I found the exchanges that occurred this afternoon during Question Period and the language that was used to be personally offensive.

There was talk about the "mother of all budgets", the "mother of all battles". Not only did it bring a tone of levity into this House that is absolutely inappropriate both to the war and to this budget, it denigrated motherhood.

ROUTINE PROCEEDINGS

[*Translation*]

CANADA PENSION PLAN

TABLING OF REPORT OF ADVISORY BOARD

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, pursuant to the provisions of Standing Order 32(2), I wish to table, in both official languages, the report of the Canada Pension Plan Advisory Board, entitled *The Level of Pension Awareness in Canada*.

* * *

[*English*]

PETITIONS

GOVERNMENT RESPONSE

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

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

The Acting Speaker (Mr. Paproski): Statements by ministers.

Mr. Waddell: On a point of order, Mr. Speaker. I ask that the minister of energy give a statement to the House on ministerial statements explaining why Petro–Canada sold land adjacent to Fantasy Gardens in British Columbia without tender to Tan Yu on November 20.

* * *

INTERPARLIAMENTARY DELEGATION

REPORT OF STANDING COMMITTEE ON CONFERENCE OF SPEAKERS

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 34, I have the honour to present to the House a report on the meeting of the Standing Committee on the Conference of Speakers and Presiding Officers of Commonwealth Parliaments held in Port Moresby, Papua New Guinea on January 7 and 8, 1991, in both official languages.

[*Translation*]

ENERGY, MINES AND RESOURCES

PRESENTATION OF SECOND REPORT OF STANDING COMMITTEE

Mr. Charles A. Langlois (Manicouagan): Mr. Speaker, I have the honour to present the second report of the Standing Committee on Energy, Mines and Resources on tar sands. The report is in both official languages.

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

* * *

[*English*]

BORROWING AUTHORITY ACT, 1991–92

MEASURE TO ENACT

Hon. John McDermid (for the Minister of Finance) seconded by Mr. Blais, moved for leave to introduce Bill C–97, an act to provide borrowing authority.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

RECYCLING ACT

MEASURE TO ENACT

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I rise to ask unanimous consent of the House for leave to withdraw Bill C–272, standing in my name on the list of private member's bills. I gather the appropriate words are that the order be discharged and the motion be withdrawn.

I ask for unanimous consent for that to take place.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): So ordered.

Order discharged and bill withdrawn.

* * *

BUSINESS OF THE HOUSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I have two housekeeping motions. The first one applies to next Monday and relates to the normal time for Private Members' Business. Because of the budget

debate, that time will not be used for Private Members' Business. This motion simply allows us to continue with government orders and thus give more members time to participate in the budget debate.

Therefore, I move:

That, notwithstanding any standing order of practice of this House, the House meet at one o'clock p.m., Monday, March 4, 1991 to resume debate on Government Order, Ways and Means proceeding No. 18, in the name of the Minister of Finance.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Does the hon. member have leave to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): There is not consent.

Mr. Cooper: Mr. Speaker, I assume there will be unanimous consent for this motion. It arises out of the fact that the names of the standing committees have been changed and as a result a document referred to one committee did not go to the others, which it had to be.

Therefore, I move:

That, notwithstanding any order or practice of this House, the annual report of the Department of Indian Affairs and Northern Development for the fiscal year ending March 31, 1990, which was deemed referred to the Standing Committee on Aboriginal Affairs on February 26, 1991, be deemed referred as well to the Standing Committee on Industry, Science, and Technology, Regional and Northern Development.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

GULF WAR

Mr. John Brewin (Victoria): Mr. Speaker, I have the honour to present a petition under Standing Order 36. I have a number of petitions here from citizens in Victoria and in the area. The petition is with respect to the Gulf War and was written before we heard the reports today in which generals were proclaiming the enthusiasm of shooting at retreating soldiers.

It calls on the governments of the United States, Great Britain and other countries with forces in Saudi Arabia not to use offensive action against Iraq because of the catastrophic consequences of war. The generals were saying today that thousands upon thousands of soldiers were killed, clearly in unnecessary action.

• (1510)

If I may add, Mr. Speaker, there was one name that was not accepted on the petition. A 90-year-old citizen of Victoria named Percy Gray expressed his strong objection to the war, and I would like to place that in the record of the House.

NATIONAL PAROLE BOARD

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I have the honour today to present a petition signed by many residents of the province of British Columbia pursuant to Standing Order 36 concerning the National Parole Board and its releasing of convicted murderers without due consideration for the safety of the public.

These petitioners humbly pray and call upon Parliament to revise the laws of Canada relating to parole to make a life sentence mean life in lieu of the current 12 to 15 years the first degree convicted murderers are currently serving prior to being released by the National Parole Board.

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, it is my honour and duty to present several petitions which have been approved by the Clerk pursuant to Standing Order 36. One of them is from residents of a number of municipalities in Ontario and Quebec. It refers to the practise of low-level flight training in Labrador. It states that they wish Parliament to have the government join with the First Nations, the Innu of Labrador and the aboriginal peoples of northern Canada in opposing this use of their lands for NATO and NORAD attack training, and to redirect Canada's NATO-NORAD funding toward enabling Canada's aboriginal peoples to regain control of their lands and their livelihood and promoting sustainable development for all Canadians.

GOODS AND SERVICES TAX

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have a further petition from a number of residents of Toronto, Weston, Downsview and Mississauga opposing the goods and services tax, asking the government to reject it and to reduce the need for such a sales tax by reducing the bank interest rate so as to help small business and increase employment.

GULF WAR

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have a further petition from several hundred residents of Toronto who petition the House of Commons that it call upon the government to declare its absolute commitment to a peaceful resolution of the mid-East conflict, to oppose any offensive military action against Iraq, to withdraw all Canadian Armed Forces from the region until we can be assured that they are not deployed in an offensive capacity but solely as is necessary to make sanctions effective, and to use our tax dollars for useful social programs such as child care, pensions, health care and education, and not for military adventures in the Middle East.

I have a further petition from residents of Toronto on the same subject, asking that the Government of Canada use all means available to encourage UN members to give sanctions a chance to work, to refrain from offensive military action against Iraq and not to commit the Canadian Armed Forces to offensive military action against Iraq.

[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, pursuant to Standing Order 36, I present a petition from citizens of Lebel-sur-Quévillon in Quebec who request that the Government of Canada shelve the project described as the Parliament Hill sector which, at the estimated cost of $68 million, provides for a parking garage and a shopping mall under Canada's Parliament Hill. They urge the government to acknowledge the need to preserve the environment and the historical character of the buildings and the site of Parliament Hill in Ottawa.

An. hon. member: We agree!

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, question no. 407 will be answered today.

[*Text*]

SUBSIDIES/TAX EXEMPTIONS

Question No. 407—**Mr. Saint-Julien:**

For the years (a) 1984 (b) 1985 (c) 1986 (d) 1987 (e) 1988 (f) 1989 (g) 1990, did the government grant subsidies under federal programs or tax exemptions to the Canadian National Railways and the Ontario Northland Railways for any rail subdivisions within the federal ridings of Abitibi and Témiscamingue and, if so, what is the breakdown of subsidies and tax exemptions granted under these programs (i) by year (ii) by subdivision?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): I am informed by the Departments of Finance and Transport as follows:

u The following comments respond to the tax exemption issues raised in the above question.

Ontario Northland Railways is a branch of the Ontario Northland Transportation Commission, which is a provincial Crown Corporation. As such, it is exempt from federal income tax under paragraph 149 (l)(d) of the Canadian Income Tax Act, which is a general provision applicable to all provincial Crown Corporations.

No Remission Orders granting specific tax relief to the Canadian National Railways (C.N.R.) were passed between 1984 and 1990. As such, the treatment of income and deductions for this taxpayer over this period would have been in accordance with the general provisions contained in the Canadian Income Tax Act. In general, these provisions do not provide for partial exemptions for some of a corporation's business activities based on their nature or location.

However, certain investment tax credits in respect of qualified capital expenditures are provided for on a regional basis and are available in the region in question.

Although the confidentiality provision of the Income Tax Act prohibits the release of tax information about specific taxpayers, C.N.R. itself has made available through Transport Canada an account of their investment tax credit refunds resulting from capital expenditures in the federal ridings of Abitibi and Temiscamingue for the years 1984 through 1990:

ITC Refund by Year
($ thousands)

1984	1985	1986	1987	1988	1989	1990	**Total**
10.3	72.0	11.0	10.5	0	0	0	103.8

The following comments respond to the federal subsidies issues raised in the aboved question.

Canadian National received federal subsidies under the Railway Act (1985) and subsequently the National Transportation Act, 1987 for a portion of one subdivision, the Taschereau Subdivision. The section of line in question runs from La Sarre, Quebec to Cochrane, Ontario. Approximately 17.5 percent of the 82.4–mile line segment which has been approved for abandonment in September, 1991 falls in the federal riding of Témiscamingue. The balance of the line segment falls in another federal riding in Ontario. National Transportation Agency officials advise that they are unable to allocate the subsidy amounts to specific segments of trackage within the line in question. However, it is possible to pro–rate the subsidy on the basis of track miles. Accordingly, the total subsidy paid to CN in respect of the line segment is listed below as is the imputed subsidy (determined on the basis of track miles) for that portion of the line segment falling with the federal riding of Témiscamingue.

(i)	(ii)	(ii)
	CN – Taschereau Sub (La Sarre – Cochrane)	**CN – Taschereau Sub (Témiscamingue segment)**
Year		
(a) 1984	–	–
(b) 1985	–	–
(c) 1986	$ 286,767	$ 50,114
(d) 1987	494,653	86,444
(e) 1988	370,386	64,727
(f) 1989	475,172	83,040
(g) 1990 (est.)	290,000	50,680

The Ontario Northland Railway does not receive federal subsidies in respect of the portion of its Kirkland Lake Subdivision falling in the riding of Témiscamingue.

[*English*]

The Acting Speaker (Mr. Paproski): The question as enumerated by the parliamentary secretary has been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if question no. 432 could be made an order for return, this return would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that Question No. 432 be deemed to have been made an order for return?

Some hon. members: Agreed.

[*Text*]

IMMIGRATION

Question No. 432—**Mr. Berger:**

Since January 1, 1989, what is the number of refugee claimants who have been refused refugee status by the Immigration and Refugee Board, and, of these, how many were accepted on humanitarian and compassionate grounds by (a) country or origin (b) province in which they applied for refugee status?

Return tabled.

[*English*]

Mr. Cooper: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Acting Speaker (Mr. Paproski): Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Tuesday, February 26, consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government.

Hon. Herb Gray (Windsor West): Mr. Speaker, on Monday I asked the Minister of Finance about bankruptcies. As we know all too well, Canadians are being hit by bankruptcies in increasing numbers, up by 69 per cent this past January alone.

In the budget speech he gave yesterday we saw a different kind of bankruptcy. It is the political bankruptcy of the Prime Minister and the Minister of Finance.

When it comes to integrity, this Conservative government is bankrupt. When it comes to fairness, this Conservative government is bankrupt; and when it comes to constructive ideas and compassion, this Conservative government is bankrupt. It is bankrupt when it comes to concern for the needs of ordinary Canadians, workers, fishermen, farmers, small business people, Canadians who live and work along the main streets of this country.

[*Translation*]

Every Spring for the past seven years, the Minister of Finance has tabled his budget in the House of Commons. Right wing ideologists, who cling to outdated theories, always look forward with impatience to this annual event. Budget number seven will not disappoint them. It contains a great many goodies for them.

[*English*]

For most Canadians there is nothing; nothing positive in this budget. For the majority of Canadians this minister's seven years of budgets have brought only seven years of bad luck.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): His most recent effort does not change Canada's losing streak under this Conservative government. For most Canadians, it is little more than what has already been called "A Nightmare on Wellington Street, Part VII".

Examples of this nightmare are not hard to find in this budget tabled by the Minister of Finance here in this House yesterday.

In his last budget, the minister put medicare, one of Canada's proudest achievements, on life support; and from this budget the result will likely be that the minister will end up pulling the plug. A full $2.3 billion has been cut from transfers to the provinces for medicare, risking the end of a health care system that has been the envy of the world.

In this budget, the minister has told Canadians that in just a few more years the federal government will be out of the business of supporting medicare. If there is no direct financial involvement in medicare by our federal government, how can we possibly continue to have a national health care system with the same standards from coast to coast to coast.

These cuts in yesterday's budget will also assist in the destruction of post-secondary education. Yesterday, the minister, in effect, told low-income students that their days of education in our post-secondary institutions were numbered.

More than anything else this budget confirms that this Conservative government has placed us all on a path that will lead to the disintegration of Canada. The minister is killing off some of the very programs which have held us together; the programs which have made us proud to be Canadians.

The nightmare does not end there. For the thousands upon thousands of unemployed Canadians this budget offers no hope, but only despair.

Not only does the minister accept that this very high unemployment is here to stay, he is making that high unemployment an integral part of his economic plan. He is telling us without even blinking that this year 10 per cent of Canadians will be unemployed and next year he says it will be more of the same. That is simply obscene, simply obscene.

• (1520)

For the next two years the minister has told us that nearly 1,500,000 Canadians will remain out of work, 1,500,000 people, Mr. Speaker. Instead of doing something about this problem, he simply makes it worse. He

gives the unemployed a kick in the teeth not once, but twice. First he slashes $100 million from federal job creation programs. Then he raises unemployment insurance premiums by 25 per cent.

This Minister of Finance, this Prime Minister, this cabinet, and their caucus are pushing hundreds of thousands of Canadians on to the unemployment lines and, even worse, on to the welfare lines.

This budget shows how this government is ducking the blame for its mismanagement, its own mismanagement of the Canadian economy, for when confronted with the grave recession that is causing so much suffering this government blames the economic problems of the United States. It blames the turmoil caused by the war in the Persian Gulf, and when confronted with unemployment the government blames and hurts the unemployed.

When confronted with regional disparity this government blames and hurts our regions. When confronted with thousands of Canadians losing their jobs and thousands of Canadians in desperate need of decent housing, what does the Minister of Finance do? He not only increases unemployment insurance premiums; he actually slashes $411 million from housing programs aimed at helping lower income Canadians.

The facts are clear. The blame lies at the government's own doorstep, and nowhere else. This recession now battering Canadians from coast to coast to coast started well before the Persian Gulf war. It started well before any recession in the United States. It started some 11 months ago, last April in fact. It was initiated by this minister's February 1990 budget and his earlier budgets. If the minister does not want to believe me, he can ask the non-partisan Conference Board of Canada. It told him that last fall his own mismanagement has given us our "first made-in-Canada recession".

The minister should know that already. After all, the recession is the natural result of seven years of narrow-minded Conservative policies, particularly their high interest rate policy and their high dollar policy.

And what did the Prime Minister say about all this last October? He confessed, and these are his exact words:

> We have induced a slowdown. Mr. Wilson said as much in his (last) budget. Look at the budget—it's as clear as spring water. Mr. Wilson spelled it out".

That is exactly what the Prime Minister said. If there is one thing that is as clear as spring water, it is that Canadians are mired in a tough unrelenting recession. It is also clear that this government induced the recession. The Prime Minister has said as much.

Something else that is as clear as spring water is that yesterday's budget is going to do nothing, nothing to get us out of that recession. As the economist Michael McCracken of Informetrica said after hearing the budget, and these are his words: "This is a recession making budget". This is what Michael McCracken of Informetrica said and I repeat. He decided this is "a recession making budget".

[*Translation*]

Mr. Speaker, this government had the gall to decide on our country's economic future on a roll of the dice. All Canadians men and women are the losers. The Minister claimed today, as he did yesterday, that interest rates are coming down. Yet, this reduction is again too little too late. It will take months before this drop in interest rates has any impact.

[*English*]

This is because it will be many, many months before businesses and consumers once again have any kind of real confidence in the economy. But, in the meantime, thousands more Canadians will lose their jobs and thousands more small businesses will go bankrupt.

So what does this budget offer those Canadians and those small businesses? Well, nothing positive, Mr. Speaker, nothing positive at all.

While economic flames rage destroying the lives of Canadians, the minister does nothing constructive, nothing positive and nothing useful. Instead, he fiddles like some modern day Nero and with this budget he is simply stopping his fiddling only to throw more gas on the fire he himself has started.

Economists tell us the recession created by this government could last for many more months, and that is far too long. We Liberals say that what is needed now is more than a new budget. Canadians do not merely want to wait out the recession. They want a new and a better economic plan to lead us out of this recession as soon as possible, and there is no such plan in this budget.

The Liberals have been calling for a new economic plan since early last summer, one built on much lower interest rates and a much lower dollar. As part of this, Liberals have been calling for adjustment programs to help the firms and the workers hurt, and hurt badly, by the U.S.-Canada free trade deal and by this recession. Liberals have been calling for policies which will help us to restructure, to modernize our work place and retrain our workers. Above all, Liberals have been calling for policies based on fairness. We want to see fair policies which create more jobs, fair policies which bring back strong economic growth, fair policies which end this Conservative government's destruction of our industrial base.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): The Prime Minister once promised jobs, jobs and more jobs. Instead, his government has handed Canadians only cuts, cuts and more cuts. It has handed Canadians a good and services tax, a GST that has pushed inflation up to record breaking levels. It has handed them a recession, the Prime Minister has admitted, his government has induced. It has given us high levels of inflation. It has given us an announcement it is seeking free trade with Mexico, without first having any public debate, without first setting out any goals and objectives, and with no effort to undo the damage caused by the Conservative trade deal with the United States.

Yesterday, as the Minister of Finance has done so many times before, he talked about what he plans to do to reduce the deficit, but he does not admit at all that the national debt has doubled, yes doubled, since his government came into power in 1984.

Canadians should not bother to listen to what this Minister of Finance has to say about the deficit and the public debt, because he has no credibility left on this issue or on any other issue.

The minister and the government have their priorities all wrong. The minister is refusing to focus on what is needed, which is to make getting us out of this crippling recession his priority. By failing to do this he is making the deficit problem worse. The minister admits as much on page 70 in his own budget document when he writes:

> —the economic situation has deteriorated with a consequent impact on the deficit.

• (1530)

Exactly. What has brought about this deterioration? The Conservative government's own policies, including its support for high interest rates. This has simply made the situation worse. This high interest rate policy has added billions of dollars to the costs of this government's borrowing, and this adds billions to the deficit and to the national debt.

By the way, each time interest rates drop a single percentage point, it saves the government almost $2 billion. If the minister would bother to read his own budget papers, I think he would agree with me, finally. Giving priority to solving Canada's economic crisis will obviously, greatly help the government to deal with its own financial management problems.

The minister's proposed deficit reduction fund, using the proceeds of the GST, is an economic shell game, plain and simple. It adds nothing to government revenues that will not already be there. Meanwhile, the GST itself remains in place to continue to hammer lower and middle income Canadians and create an administrative nightmare for small business.

[*Translation*]

Mr. Speaker, I urge the Minister of Finance to pause for a moment today to think things over. I urge him to forget the embraces of his Cabinet and caucus friends. I urge him to pause and listen to the voices which can be heard more and more every day outside these walls. I urge the minister and his Cabinet colleagues to listen to the shouts of anger bursting forth everywhere in this country. Canadian men and women have just had enough of this government's callous policies.

More and more Canadians are telling the government that they are fed up with the GST and they will no longer stand any budgetary restraints in the areas of health care and higher education.

[*English*]

Canadians are fed up with the cutbacks to research and development. They are fed up with the way our fishery, agricultural and forestry sectors, the north of our country, and our auto industry have been systematically undermined. They are fed up with the gutting of medicare. They are fed up with cuts to post-secondary education and, as I have already said, they are fed up

with the deterioration of our industrial base, all since this Conservative government came into office.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): Mr. Speaker, Canadians have watched as this government has gutted VIA Rail and shut down post offices all across this country.

An hon. member: Shame.

Mr. Gray (Windsor West): They watched as this government slashed services and scrapped local television programming by the CBC all across this country.

An hon. member: Shame.

Mr. Gray (Windsor West): Canadians have watched as this government dismantled the institutions which have helped make this country what it is. They are angry. They want it to stop, but this government does not want to listen to them.

In January and February of this year, while the government was listening to its big business friends on Bay Street, members of the Liberal caucus were criss-crossing the country listening to the real people on Main Street: 35 hearings were conducted by the Liberal caucus, more than 300 submissions were made. We have heard from business associations, labour groups, social action groups, municipalities, provincial government representatives, cultural organizations, and average individual Canadians. The Liberals listened to what Canadians had to say, and what they had to say is this: This Conservative government, this Minister of Finance, this Prime Minister have lost the trust and the confidence of the Canadian people.

The economic policies of this government and this Prime Minister, Canadians have told us, are hurting single mothers, children and small businesses, working men and women and the sick and the elderly. The facts speak for themselves. Economic growth is at the lowest level in 10 years. We have a made-in-Canada Conservative government produced recession, and the most heart-wrenching fact of all: 186,000 Canadian children have been forced to stand in line at food banks across the country; one in six children goes to bed hungry every night.

This budget will not help those hungry children. It will not help working people or small business or farmers or fishermen or anyone else, except maybe the handful of people who still support this government's right wing agenda. But this minister is simply not listening to the overwhelming majority of Canadians.

The words our task force heard were not the words of some narrow corporate elite. They are the words of average Canadians, like the people of my community: auto workers who have seen their jobs disappear forever to the United States and Mexico due to the insensitive policies of this Conservative government. They are the words of Canadians battered by the GST, the free trade agreement and the Conservative government's other insensitive and narrow-minded economic policies.

But does this Minister of Finance, this Prime Minister and this government want to listen? This budget proves they do not. This budget proves that this government is bankrupt when it comes to integrity and constructive ideas. The budget the Minister of Finance has tabled in this House is the last straw. It shows the true face of this government and this cabinet.

They may go around, as the Prime Minister has been doing lately, talking about re-Confederation. But this budget shows us the unvarnished truth, since this budget is simply a blueprint for de-Confederation. The institutions and programs which hold Canada together are being unravelled by this government. Just look at what it has done to VIA Rail, to Canada Post, to the CBC.

[*Translation*]

And let's take a look at what they are doing to health care and postsecondary education. By cutting transfers to the provinces, Mr. Speaker, by the year 2009—which is not that far off—there will be no more federal transfers to the provinces for health care. And if that prediction is correct, the federal government will not be in a position to enforce the standards for health care provided under the *Canada Health Act*.

[*English*]

There are other examples, but the bottom line is the same. This government is dismantling the institutions and the programs which make Canada great. This government is dismantling the institutions and the programs which define Canada, the institutions which have made us so admired in the eyes of the world. As they move Canada ever closer to the brink of economic and constitutional ruin the minister, the Prime Minister and

their cabinet colleagues are not listening to what average Canadians have to say any more.

This budget is a Scud missile attack on Canadians. It is an attack on medicare. It is an attack on the jobless. It is an attack on the very institutions and programs that help make up the very fabric that is Canada.

In his budget the minister pays lip service to the notion of a strong and a united Canada.

• (1540)

He cries tears, hopefully not crocodile tears, for Canadian unity. Then, he presents a budget document that is—I repeat—simply a blueprint for de-Confederation.

Yesterday, the minister gave Canadians a blunt lesson in the politics of cruelty. He said to Canadians that they are on their own.

Yesterday, in the midst of a harsh recession the minister told low and middle income Canadians: "You're on your own."

Yesterday, the minister told homeless Canadians that they will just have to make do to get through the winter. He told them that they are on their own.

Yesterday, the minister told sick and elderly Canadians that it does not matter if his policies force provinces to shut down hospitals and lay off doctors and nurses. The minister told sick and elderly Canadians: "You're on your own."

Yesterday, the minister gave us a blueprint for de-Confederation and after seeing it, Canadians are saying: "Enough is enough." They are saying: "It is time to stop this Conservative government before it rips this country apart."

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): Therefore, I move, seconded by the hon. member for Ottawa South:

> That the motion be amended by deleting all of the words after the word "that" and by substituting the following therefore:
>
> this House condemns the government for presenting a budget that offers no relief to Canadians from the made-in-Canada recession created in 1990, undermines the social and economic foundations of Canadian federalism, increases the already unfair and disproportionate financial burden on lower income and middle income Canadians and provides no program that will, in fact, bring about the recovery of the Canadian economy.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): I find the motion in order.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, it is difficult in responding to a budget not to fall into the trap of choosing rhetoric, phrases and over-statements which make people think that you are not seriously trying to grapple with the way of thinking of the government and the Official Opposition, as opposed to the approaches which we would take in the New Democratic Party, faced with the economic conditions of today.

I want to try to avoid rhetorical flourish. I also want to convey to the House and to the country our sense of profound disappointment in this budget which Mr. Wilson has presented to Canada.

As we listen to people across this country and as our New Democratic economic recovery tour visited different parts of this great country of ours, we heard people say to us just how tough things were, how hard life had become as this recession had begun to bite, how serious and deep the human problems were that they were facing. We heard, for instance, from people such as one of the farmers who talked to us, who talked about what was happening in his community, and I quote directly: "The lay-offs, plant closures, bankruptcies, work sharing, these are only numbers in the paper and at Statistics Canada. But in our community they are real and they hurt". It is a tragic story of broken pride, food bank line-ups, needing welfare assistance, family tensions.

He went on to say that workers between 45 and 64 years of age, many of whom have spent their entire working lives with a single employer, find themselves out in the cold, their jobs eliminated by free trade.

As the director of the Unemployment Help Centre in London said to us: "The social safety net in this country strains under the demands of people hurt by this recession".

As the St. Thomas District Labour Council said to us: "The consequence of a succession of Conservative budgets over the past six years have been devastation for most Canadians". Unemployment is soaring, plant closures and mass lay-offs are everywhere, workers' real average earnings are falling, poverty and hunger are spreading, farm bankruptcies are increasing at a record level and the many victims of these Conservative budgets

are being denied the help they need because of cuts in unemployment insurance and welfare.

Or, as the Waterloo Regional Council said to us: "Seventy per cent of all applicants for welfare in that community are now applying for the first time". Seventy per cent, Mr. Speaker. The total number of recipients of general welfare reached a record high level, higher than they have ever seen before, of over 6,000 in the month of December. In 1989 the Waterloo regional food bank distributed 400,000 pounds of food to people in need. This year they forecast distribution of a million pounds from their food banks to people in need.

As the Community Opportunities Development Association in Cambridge said to us, and they put it very bluntly, if very simply: "The downturn in the economy has put fear into the souls of many members of our community".

• (1550)

That is the reality, Mr. Speaker, which this government seems incapable of recognizing. That is the reality which is devastating lives right across this country, which is destroying families, which is giving people a sense of despair, a sense of pessimism, a sense of fear about the future.

And so I have to say, Mr. Speaker, that I stand up here with a sense of growing fury at this government and its inability to listen to the real voices of people across this country. I say to this government that it is time they recognize the anger, the frustration, the bitterness, the sense of complete and utter failure of hope that hundreds of thousands of Canadians across this country are feeling.

For the sake of this country's future, for the sake of the hundreds of thousands of people being hurt across this country, for the sake of the future of the children of our country, I ask this government to start listening, start to pay attention, start to show you care about those hundreds of thousands of people who are being hurt.

Some hon. members: Hear, hear.

Mr. Langdon: People wanted a budget of hope and what did they get? They got the same mean message which they have had for the last six and a half years, the same shameful message of cutbacks, of taxes that hit the ordinary person while the large corporations go scot-free; the same fixation on inflation as the concern, the same fixation on the deficit, when it is people across this country who have lost their jobs or have seen their plants shut.

As one person said to me in one of our meetings across the country, "in the 1981–82 recession of the Liberal government, things were bad. We were hurt, but at least we saw the plants were still there. We hoped the jobs would come back and eventually, not because of anything the Liberals did, but because of an upturn in the rest of the world, the jobs did come back and the plants were there for people to go back and work in. The farms were there to give people a sense of prosperity for the future. The small businesses were there."

But this person said to me, "in this recession it is different. In this recession the plants are shutting and they are leaving." They are going to the United States, thanks to free trade. They are going to Mexico and thanks to this government's further foolishness, there will be more of them going to Mexico. More of them will move south. More of them shut and more people hurt across this country as a consequence.

We need a change in direction that says: "Not just targets for inflation, but above all, targets for jobs, for reducing unemployment and for dealing with this recession; targets to get people back to work," so that this country once more starts to work.

It is a very hypocritical budget. It is a budget which talks about the need for national unity. Then in its details cuts back the CBC, destroys national institutions like VIA Rail, and breaks its promises to the provinces.

[*Translation*]

I am a member from Ontario, but if I were a member from Quebec, if I were a citizen of the province of the Quebec and I were looking at this Budget, I would notice a lot of terms referring to national unity. But what is the real situation? We have a government that has broken its promises to the provinces, that decided that all its promises to the province of Quebec, for instance, were worth nothing, that they could be conveniently ignored or changed or broken!

The results, for Quebecers and all Canadians, are more unemployment, fewer services, and perhaps the dismantling of our national health care system. We cannot accept that in this country!

Some hon. members: Hear, hear!

Mr. Langdon: We must fight, and I must say that as a party we want to fight this regressive approach. It is not one we can accept, and it would destroy our country.

Mr. Edmonston: It's against the interests of Quebec.

Mr. Samson: It is unacceptable.

[*English*]

Mr. Langdon: That is one piece of hypocrisy: the discussion of national unity and the lack of any reflection of things that would help to build national unity.

There is also talk of co-operation and how we all must work together. All of us must share the burden. Yet, the reality in the budget is what? It is an attack on workers, on the 6,000 public servants who will lose their jobs.

It is an attack on the possibility of workers being able to keep up with the rate of inflation in the salaries and wages which they receive.

It is an attack on small business.

• (1600)

It is not widely recognized but an increase in unemployment insurance premiums hurts workers. It is true. But, in fact, it hits small business even more than it hits those workers. Small business people across this country will find themselves devastated by the increased burden of these unemployment insurance premiums.

When it comes to workers there are burdens. When it comes to small business there are burdens. When it comes to women there are burdens, as some of the women's groups are cut back as is the support which they have received in the past.

But what about those large companies? What about the big corporations? Is there a single thing in this budget that attacks those corporations? Is there a single thing that asks those corporations to start to pay a fair share? A single thing? Not a single solitary point, not a single change in the tax loopholes that exist, not a single thing to even respond to the willingness which was expressed on the part of some big business groups to share the burden. Yet, not a single thing was done to make such corporations contribute to the burdens that are falling on workers and on small business people across this country.

There is also discussion in this budget of competitiveness. We all must seek competitiveness.

[*Translation*]

Competition is important for the future.

[*English*]

We agree. But what is the reality of the budget? The reality is an attack; an attack on education, an attack on science research, an attack on job training, an attack on environmental support. All of those are the basis of future competitiveness in this budget.

Some hon. members: Hear, hear.

Mr. Langdon: Yet what does this government do? It cuts. It cuts not for the sake of eliminating waste, because we stood up here in this House and pointed out again and again cases of waste which this government has refused to do anything about.

We had to talk for over two years about grants which were being given to questionable companies in Cape Breton before the government finally recognized that in fact the grants being given were part of a scam and therefore should not be continued.

It took us two years. The member for Nickel Belt and myself fought here in the House, fought in committee. We finally forced the government to recognize the waste which was involved in that particular case. It is so hard to get the government to do something about that sort of waste. It will instead do a few symbolic things like say that it is freezing the salaries of cabinet ministers when, in fact, all that it is freezing is the extra amount which those ministers get as members of the government. They still get their increases as members of Parliament.

We have here an incredible case of hypocrisy within this budget. We have a Minister of Finance who has stood up in the House and said that he heard the anguish of people across this country who had lost jobs and lost their small businesses. He heard that anguish and then he did nothing about it. He did not do a single thing to help people who were being hurt.

I would like to move, on behalf of our party, a subamendment to the amendment which has been moved by the Official Opposition. I move:

> That the amendment be amended by adding the following words:
>
> "fails to respond to the anguish of people who have lost their jobs or their businesses; undermines the principles of universal medicare; and fails to introduce a program of fair taxation, including a minimum corporate tax."

There was a choice. The government did not take that choice. It kept to the same old path. If it had taken the choice that we put before the country, the many hundreds of thousands hurting across this country would be in much better shape.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): I will take the subamendment under advisement. I will go to questions and comments. The hon. member for Ottawa—Vanier.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I listened carefully to the speech by the hon. member for Essex—Windsor, and I must say I was disappointed when he failed to mention the impact of this Budget on federal public servants. If we look at yesterday's Budget speech, on page 10, it says:

> The wage budgets of departments will not be adjusted in 1991-92 for any increases in costs arising out of new collective agreements. Departments will have to absorb any such higher costs from within existing budgets.
>
> Each increse of 1 per cent in average wage settlements across the public service could lead to a loss of about 2,000 jobs.

[*English*]

It is quite evident to those of us who care about the Public Service of Canada that the government has declared war on its own public servants. By stating that each per cent increase in wage settlements could lead to 2,000 job losses from the Public Service of Canada, the government is endorsing and promoting the kind of prejudice that some people in this country have against public servants.

This country happens to have one of the best public services in the world. I feel that to not have addressed this question today, which spreads the seed for labour unrest, not only in the Public Service of Canada in the years to come, but in other departments. For the NDP, who are the socialists of this country, what I like to call the arm-chair socialists, not to have alluded in one sentence in the speech to the labour unrest we are going to be suffering because of this government's lack of sensitivity is beyond my understanding.

I want to ask the member from Essex—Windsor, why is it that his party and his opening speech on this most important budget speech did not once mention the impact of this budget on labour in general? Specifically, why did he not address the impact on the Public Service of Canada, the public servants of this country who are doing a damned good job for Canada?

Mr. Langdon: Mr. Speaker, every time a spokesperson from the Liberal Party gets up to defend workers, I have to say that I am especially amused. I am especially amused when they get up to defend public servants, because this member and his party, if the hon. member would remember back a few years, was the very party that brought into effect controls on public servants—the six and five program which was opposed bitterly by the Public Service across this country and across the community of Ottawa. Let me tell you that the impact on morale in the Public Service, which is certainly going to be very negative over what the Conservatives have done in this budget, was also extremely negative over what the Liberals did during the 1981-1982 recession when they did precisely the same thing. They tried to make workers into the cause of that recession instead of recognizing that in fact working people are very much those who are hurt by recession.

• (1610)

If the member had listened to my speech he would also have noticed that I did in fact talk precisely about the 6,000 jobs that this Conservative approach to the Public Service will likely lead to being lost. Those 6,000 jobs will be lost if public servants take their full 3 per cent increase, which itself is well below the rate of inflation. That will force an elimination of jobs within the Public Service.

Now if the member did not recognize that I was talking about the sections of the budget which deal with the Public Service in noting those 6,000 potential job losses then it shows that despite his past work he really does not understand very well the way in which these particular measures from the Conservative Party are going to

negatively impact public servants here in Ottawa and across the country.

Some hon. members: Hear, hear!

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, the member for Windsor—Essex mentioned the small business community and how it was going to be hurt. I would like to describe, in my introductory remarks here, how the unemployment insurance filters down and, as employers, how this is going to affect the small business community. Not only directly, but in the municipalities. These increases in unemployment insurance, the increases in Established Programs Financing or the cuts to Established Programs Financing and the cap on the Canada Assistance Plans all filter through to the provinces and through to the municipalities.

The biggest employers in most small communities across Canada are municipalities, hospitals and school districts. These people and these groups are going to be hurt directly by UI and by the cuts in these various programs. Those people are going to have to pick the money up somewhere and pass it down to the taxpayers through property taxes and through provincial taxes. In this way it also hurts.

My question to the member is this. Would he agree that, although the government has told us there will not be tax increases, in fact, once again, the low and middle income earners are being hit by tax increases by underhanded methods of this government?

Mr. Langdon: Mr. Speaker, the member has made a very important point. I want to just indicate to the House some of the comments which we received from small business people during our economic recovery tour in different parts of the country.

For instance, as somebody said to me in my own community in the hearings that we held there: "The GST, the high dollar and the recession are killing us". This person is the head of the Downtown Business Persons Association in my community. We have to recognize what this government is doing this year. It is, first, putting a very serious burden on small business with the introduction of the GST. The level of administrative cost that small business will have to absorb is extremely heavy. Many small business people across the country have talked to me about the damage that is going to be done to their prospects for the future as a result of that administrative cost.

In addition to that GST impact, the government has now decided as well to increase unemployment insurance premiums. And, as I indicated in my speech, that is going to impact most on small businesses across this country because, of course, small businesses pay $1.4 for every $1 that a worker pays into the unemployment insurance fund. That is just one example of the way in which the unfairness that this government has put into effect in past budgets continues in this budget, and it is one of the reasons why we oppose this budget so strongly.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Before I recognize the hon. minister, I have looked at the amendment to the amendment, and I accept the amendment to the amendment.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I welcome this opportunity to lead off the debate on the Budget on behalf of the government side in this House. After listening to my NDP colleagues who are up there in the clouds, I think we should get down to earth, for a change.

I must say I was puzzled when the hon. member for Windsor West said we had to create jobs for Canadians but certainly not open our markets to the United States and even less to Mexico. Far too dangerous! Let's create jobs here to produce goods. And where would we sell them? That, of course, is a minor problem. It is a minor problem for NDP members who don't have a clue about government finances and financial administration, about being competitive and being able to manufacture goods and sell them at competitive prices. It doesn't fit their vision and concept of society.

However, after the Minister of Finance brought down his Budget yesterday, others did react, Mr. Speaker. Frédéric Wagnière, in this morning's *La Presse*, qualified this Budget as honest and far-sighted. He said it had been a long time since we had a budget that reconciled both the government's financial requirements and the economic interests of Canadians. He went on to say that the government had understood the gravity of Canada's economic and financial situation and had decided to do something about it. Mr. Speaker, Mr. Wagnière also said

that the Budget was straight forward in that it meets problems head on, without compromising our economic future in the long term.

Mr. Speaker, clearly these people are far more objective than the hon. member for Essex—Windsor, as far as I could gather from his comments. I believe that the plan for economic recovery set forth in the Budget brought down yesterday puts Canada and Canadians on the path to renewed and sustained prosperity. The key to dynamic economic recovery and the nation's future growth and prosperity is obvious.

• (1620)

Interest rates must go down and remain at low levels for some time. To achieve this, we will have to meet a very basic requirement, equally obvious, which is to bring about a continuing and sustained reduction in inflation and the inflationary expectations of Canadians. Incidentally, Mr. Speaker, I heard another member from the Windsor area say that an unemployment rate of 10 per cent was obscene. I find such comments hard to accept, coming from the Liberals, since at the time they inflicted unemployment rates on Canadians that in some parts of the country were as high as 20 per cent, and interest rates that for a while were as high as 24 per cent, with 12 per cent inflation— there was for instance— Perhaps the hon. member for Ottawa—Vanier—

[*English*]

The Acting Speaker (Mr. Paproski): There will be opportunity for questions and comments a little later.

[*Translation*]

Mr. Blais: Mr. Speaker, I can assure you that Canadians who had to fork over these huge amounts and pay the astronomical cost of that recession are not about to forget it. Indeed this is why they saw fit at the time to get rid of those great administrators, those glorified public clerks, and replace them by a government which proved to be responsible during its first mandate from 1984 to 1988 and which will continue to steer the country towards prosperity with the measures unveiled yesterday.

Mr. Speaker, of course there is a direct link between inflation and interest rates, as evidenced by our past economic performance. During the 1950s and 1960s when inflation was low—averaging less than 3 per cent a year—interest rates were low as well. When inflation rose in the 1970s, so did interest rates.

Comparisons with other countries confirm the existence of that link. Between 1980 and 1989 the major industrialized countries of the Group of Seven where inflation was lowest on average—Japan and Germany—were also those where average interest rates were lowest too. Then there were countries where inflation was left running rampant. For example, France and Italy generally recorded the highest interest rates, and that was unfortunate for those people. Mr. Speaker, we are working to bring about such conditions as will enable the economy to get back on an even keel by the middle of this year, not in five years, this year. And we are making progress because interest rates have already declined by more than four points since last May's peak. Canadian consumers throughout the country will see for themselves when they renew their mortgages or personal loans in the coming weeks that indeed they have more money in their wallets to cope with present conditions precisely because their interest rates will have gone down by 2, 3 and 4 per cent.

Still if we hope for a sustainable economic growth we cannot be satisfied with getting a handle on inflation. Our national objective must be to check inflation and then reduce it considerably and keep it down. Price stability spells enormous economic and social benefits, and lower interest rates are just one of a good many others.

[*English*]

Price stability is vital for Canadian companies and workers to compete and succeed in today's global marketplace.

With inflation, Canadian products can end up costing more than comparable goods sold by other countries. This means companies lose sales and workers lose jobs.

Price stability also supports increased investment by business.

Research indicates that lower inflation is one reason the cost of investment capital is lower in Japan and Germany than in Canada and the United States. Economic fairness is another crucial reason why Canadians should work toward lower inflation. Keeping price increases down is simply the best way to protect those with the least ability to protect themselves against inflation:

the poor, the elderly, and people on fixed incomes. These are compelling reasons why our plan for economic recovery takes direct aim at reducing inflation further.

The budget announced realistic achievable inflation targets. They are based on the Consumer Price Index, the most commonly used measure of inflation. The official targets are: by the end of 1992, an inflation rate of 3 per cent; by mid-year 1994, inflation down to 2.5 per cent; and the year after, by the end of 1995, an inflation rate of 2 per cent. I think that this is achievable.

Clearly, in the words of Terence Corcoran in *The Globe and Mail* this morning:

> —Mr. Wilson has defied many forecasters with a deficit-controlling, opposition-rattling Recovery Budget.

[*Translation*]

After 1995, as I explained, Mr. Speaker, the government will continue its efforts to achieve price stability. The goals and methods then adopted will be based on the experience gained over the next few years and on the continuing consultations of Canadians. The inflation targets described in the government's Plan for Economic Recovery make sense and, in my opinion, are necessary. Canada had much lower inflation rates in the past and is able to equal this performance. It is only since the 1970's that Canada's performance has deteriorated compared to those of such countries as Germany and Japan.

There is no reason why Canada could not repeat its performance of those years, provided we work together to reach this goal.

The benefits of a lower inflation rate are evident and concrete. Interest rates would be coming down, as they are currently doing, Mr. Speaker. Our economic productivity and competitiveness would be strenghtened. Already second in the world, our standard of living would improve, and so would our social equality. Consequently, Canada would be a stronger and more prosperous country which could rank among the economic leaders, Mr. Speaker.

With this budget, we are putting government finances firmly on the course to a balanced budget. We are taking steps to eliminate the build-up of the public debt as a source of inflationary concern. For this purpose, we are extending by nearly three years until 1994-95 the Expenditure Control Plan developed in the 1990 budget. Of course, this decision does not please our NDP friends whose only policy is to spend more and more, because they think that throwing away borrowed money can help a country prosper. Clearly their position does not have the support of any economists, except their own, and as everybody knows, Mr. Speaker, has no credibility among Canadians.

We are legislating mandatory program spending limits and we are setting up a Debt Servicing and Reduction Fund solely dedicated to offsetting the costs of the public debt. By law, all revenues from the Goods and Services Tax and from privatization will flow into this fund. This way, Mr. Speaker, we expect to achieve our goal in time—it will not be easy and will require time, energy and determination—but I am convinced that we can do it.

Also, the government and its civil servants will do their share. We will severely restrain the operations of the government. Operating budgets will be frozen at current levels and the wages and salaries of Cabinet Ministers will be tightly restrained. Severe restrictions will be placed on the salaries paid to members of Parliament and senators as well as all federal civil servants and any person designated by an Order in Council from this government. That is why it was said, Mr. Speaker, and I am again quoting from this morning's edition of *Le Soleil*: "Wilson sets the example."

• (1630)

I think that it would be extremely difficult for the government to ask the Canadian people to make sacrifices, while allowing its own expenditures to keep growing by 8, 10 or 12 percent. Of course, we could very easily go on spending. There is nothing easier, Mr. Speaker. We could borrow and establish programs, as our predecessors did for years. That is how they created a structural deficit which had reached $200 billion when we came to power. It is so easy. Any government can borrow money, establish programs and spend irresponsibly.

Mr. Ricard: And foot the bill later!

Mr. Blais: Mr. Speaker, if we want our children and grandchildren to enjoy prosperity in this country, we have no choice but to make government accountable. We appreciate that these measures are very hard on the

government. They are hard on our employees. They are indeed, but we have no choice.

In a family faced with a shrinking income for one reason or another, the father and mother sit around the kitchen table and decide on ways to reduce overall expenditures so that money will be assigned to specific purposes and earmarked for the neediest. That is how we came to earmark more than $7 billion in spite of the difficult economic context. We managed to identify an amount totalling over $7 billion which is earmarked for the unemployed who are the neediest this year. We understand what they are going through. There is also $1.6 billion for the elderly and another $1.3 billion for farm producers who are struggling for reasons beyond our control and having to do with the global environment.

I think it is wise to consider and respond to the needs of particular groups, Mr. Speaker.

The programs I mentioned earlier account for over 90 percent of the financial support given by the federal government to the provinces in order to help them finance a wide range of important services across Canada. That is essential. No wonder that the Budget that was tabled yesterday has some major effects on the federal–provincial fiscal arrangements, particularly on some components of the transfer payments system to the provinces, that is, the Equalization program, the Established Programs Financing and the Canada Assistance Plan.

[*English*]

For decades, the federal government has provided large and growing financial support to the provinces. Next year alone, total federal transfers, including both cash and tax transfers, will reach almost $37 billion.

The cash portion alone of the transfers accounts for one–fifth of all federal program spending. These transfers are simply too large to exempt from our expenditure restraint program.

The deficit is a national problem and it demands a national solution. Major transfers to the provinces, both cash and tax, will grow by an average of 3.7 per cent per year from 1991–92 to 1995–96. All other federal program spending will grow by just 3.4 per cent. It should be noted that the 1991 budget has no effect on transfers in the current fiscal year or the next.

For 1990–1991 and 1991–1992 transfers will be made on the basis of the February 1990 budget, which provinces have already factored into their planning. The new measures in this year's budget will cause 1992–1993 transfer growth to be reduced by roughly $700 million or about one–half of one per cent of provincial revenues.

In addition, the measures are tailored so as to have a smaller impact on the low income provinces.

[*Translation*]

I think, Mr. Speaker, that we have taken the necessary measures to insure that our initiatives with regard to the provinces are just and fair. I think that ultimately, as the Minister of Finance of Newfoundland said last night, the Minister of Finance's approach is just and fair and, despite certain difficulties that we appreciate, we will be able to cope with the situation.

The cap on the growth of transfer payments for Established Programs Financing raises concerns about the ability of the federal government to continue enforcing national medicare principles under the Canada Health Act.

Legislation will be introduced to ensure that the federal government continues to have the means to enforce these principles. As we said yesterday, and as we are saying again today, the principles of the Canadian Health Act will not be compromised.

The measures in this budget bring the growth of transfer payments to the provinces into line with current fiscal realities. But it is also time to ask ourselves whether the system of tranfers and tax arrangements can be reformed to better meet the energing challenges, priorities and needs of the 90s and beyond.

The federal government will consider reforms to the major transfer programs within the fiscal framework set out in this budget. In this regard, we will keep in mind that one of the best things we can do to strengthen national unity is improving our economy and our financial position. We want to ensure that, in the future, the system of transfers provides for the sharing of opportunities and benefits of Confederation, supports a more efficient and competitive Canada, and maintains the principles and standards that are the basis of Canadian citizenship while respecting provincial flexibility.

It is false to claim, as I heard the hon. member for Essex—Windsor say a moment ago, that by cutting—

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member has terminated his debate. We will now turn to questions and comments.

The hon. member for Ottawa—Vanier, on the first question or comment.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, like the minister, I can quote headlines from newspapers of Quebec, his province: "Wilson's Budget, A lack of courage", in *La Presse*, from Montréal; "Business and Labor are disappointed with Michael Wilson's new Budget", by Serge Truffault in *Le Devoir*; "Wilson squeezes civil servants and provinces first", by Chantal Hébert, in *Le Devoir*. And I can quote several others.

Mr. Speaker, the minister who just spoke to us would have us, Canadiens, believe that his government cares about the economic problems of our country. We do not trust this government, Mr. Speaker. It is clear. We cannot entrust the future of our country to a group of people who did not keep their word.

I would like to ask the minister how he will explain to his colleagues and to the Québec taxpayers an article published in today's *Le Devoir* under the headline: "Gérard-D. Lévesque: A Budget that will cost $732 millions to Quebec". Gérard-D Lévesque is a somebody. Is he not one of your chums? He regrets the rise of the UI contributions. He says it will hurt Quebec to the tune of $136 millions. He also says that the $10,000 cap on capital tax deductions for businesses planned by Ottawa is bad news for Quebec. And it goes on and on like that in the article.

• (1640)

I am sure the minister read today the comments of well informed people, of responsible people, in the newspapers from both Quebec and Canada. So I ask him: how can he tell us here, in this House, that he is in favour of national unity, while he is a minister under a government which pulls out gradually of national programs' of established programs financing in the health, social or education areas? This government says to Canadians: "Don't worry. We withdraw from established programs, from social programs, from health programs, but we will introduce legislation to make sure that those programs are continued by those who are responsible for them. However, we will not pay for them anymore. I ask the question, Mr. Speaker. How is it possible to make Canadians believe that?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I may remind the hon. member for Ottawa—Vanier that the same Mr. Lévesque, the Quebec Minister of Finance, supported our government's decision to introduce a goods and services tax and agreed to harmonize the provincial tax with the federal tax. Mr. Lévesque's government supported our government on free trade with the United States and on a tripartite free trade agreement with Mexico, and it supported the Meech Lake Accord. I think if we are going to quote Mr. Lévesque, we should quote him across the board.

Mr. Gauthier: I am talking about the Budget.

Mr. Blais: The hon. member has a selective memory, Mr. Speaker. In any case, transfer payments to the provinces, in the case of the province of Quebec, rose from $9.8 billion last year to more than $10 billion—I believe $10.2 billion—this year, and next year it will be $10.6 billion, Mr. Speaker, which represents about 30 per cent of the budget of that province. Unless my arithmetic is completely off base, this is an increase, not a reduction. Granted, we had to keep increases down as much as possible, but I am convinced the provinces will spend this money wisely and that they will harmonize their budgets with the federal Budget, reflecting the kind of responsible attitude expected of all Canadians, including municipal and provincial governments and Canadians in general, who will realize that this budget is a way to achieve expenditure control. And I am convinced that provincial ministers will accept the Budget as did Mr. Lévesque and Mr. Kitchen.

[*English*]

The Acting Speaker (Mr. Paproski): I have four people who would like to ask the minister a question. I will go to the hon. member for Windsor—St. Clair and then I will go to the hon. member for Scarborough and then I will go to the hon. member for Laval-Est.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I will not get into a discussion about how wrong Mr. Levesque and this government have been about the GST and all the other economic policies of this government which at root of the cause of the disassembly of this country.

I want to try to understand how this minister claims to understand economics. Peter C. Newman in *Maclean's* today points out that the Liberals and this government have been responsible for deindustrialization of this country and are making a Third World nation out of Canada because they do not understand what the deficit is really all about. That deficit will continue to rise so long as this country is not capable of creating the wealth that it needs in order to cut down expenditures for make-work programs, unemployment and everything else.

I wonder if this minister understands the severe damage that has been done, even from the point of view of the announced expectations for economic growth, by this government and its Prime Minister: when it continues to cut on research and development, continues to cut on post-secondary education and continues to cut on training. Everybody who has spoken to the issue—including the National Advisory Board on Science and Technology, when every single industrial and high technology consortium—has told you, and told this government, that if it does not change its pattern of expenditures and emphasis on training, education, and research and development, this country will go down the tube and its deficit will increase.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, only a New Democrat could say that an increase of 3 per cent in the funds reserved for science and technology is in fact a decrease. Only a New Democrat can see it that way and only a New Democrat can see Canada, can reduce Canada —I let my honorable friend make his point and I wish he would give me the opportunity to finish. Only a New Democrat can see Canada as a Third World country, which is not a polite thing to say to Canadians who, for the most, enjoy the second highest standard of living in the world. Canada's economic performance was not bad during these last years. In fact, it ranked first among the 24 OECD countries on numerous occasions. I do not think we can take that kind of comment seriously and I believe that our government has endeavoured to maintain the 3 per cent increase in research and development funds. With the tight budget we must deal with, I believe, that my colleague should applaud and commend the government for the action it has taken.

[*English*]

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I have some comments and then a question for the minister.

I would remind the minister that history does not stop at 1984. This government has been around since 1984 and has done, I might say, a lamentable job with respect to the economy, the budget of this country, the physical aspects of this country, and the deficit of this country.

The minister knows perfectly well that the over-all debt of this country has doubled during the six short years that we have been held ransom by the Conservative Party in government. So, let's have a little bit of truth.

The minister was talking in his speech about a nice picture that I accept, that being a family struggling to meet their financial obligations. They sit down in the kitchen—and I accept that—and they talk to each other about those problems. But they do not try and pull the wool over each other's eyes and they do not try and pretend that things are not the way they are.

I am going to ask the minister a specific question relating to pulling the wool over people's eyes. I am referring specifically—and the minister will know this because his colleague delivered the speech yesterday—on page 2 of the finance minister's speech, talking about the aspects of recovery, growth and prosperity, there is a very simple sentence:

> By law, all revenues from the Goods and Services Tax—will flow into this fund.

I repeat, all revenues. On page 13 of the same speech, he says:

> —we will ensure that all GST revenues are allocated solely to the effort to bring the public debt under control.

That is what his colleague, the Minister of Finance, said.

If, however, you turn to page 78 of the budget document, you will see that:

> The Prime Minister has given a commitment that any above-projected revenues from the GST will make a contribution to deficit reduction—

And lo and behold, something that was not in the minister's speech:

> To implement this commitment, the government will introduce legislation to establish a specified purpose account, to which will be credited net GST revenues—

A family does not do that. A family does not play with words, in a speech in Parliament, saying "all" GST revenues and then in the explanation saying "net" revenues.

The question is simple: What does "net" revenues mean? If your colleague said "all" GST revenues, why does he then say "net" GST revenues?

Mr. Blais: Mr. Speaker, fortunately, life did not stop in 1984 because we were left with a debt of $200 billion.

An hon. member: Now, it is $400 billion.

Mr. Blais: Yes. But the compound interest on that $200 billion is more than $120 billion.

So, $87 billion of that actual debt is a result of the debt that was there when we came into office in 1984. That is the truth, that is the reality. That is the truth and that is the reality. It was an annual deficit of $38 billion and an increase in expenditures of 13 per cent to 14 per cent, that is the reality.

• (1650)

About the net GST revenue, Mr. Speaker.

[*Translation*]

It is very obvious the government will have to take into account the fact that out of the revenues from the GST we should not forget—and I am a little surprised my colleague did—we give back several millions of dollars to Canadians through credits to allow low income families who earn less than $ 30,000 to receive their GST refund in advance. This gives me once again the opportunity to emphasize the value of this measure, which allows us to refund millions and millions of dollars to Canadians before they can go to the stores and do their purchases. This measure, precisely has been provided within the GST framework. I believe this answers my colleague's question.

[*English*]

The Acting Speaker (Mr. Paproski): A very short question or a comment.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, before I start my comment, I would like to ask my hon. colleague a question. He quoted an article in *Le Devoir*—which is very dangerous to quote when you do not read the paper—concerning $732 million of Mr. Gérard-D. Levesque's budget. I am asking him because I read the article this morning in Quebec. It is in my area and I know what is written in the paper. I hope he did not do that on purpose, but I hate to see things like this here and $732 million—

[*Translation*]

—M. Speaker, I hope he is watching us on television—this amount of 732 million will be spent over a three year period which means it is only $244 million a year. I know it does not have the same impact to talk about $244 million; it is much more impressive to talk about $732 million, but things have to be clarified. I have *Le Devoir* here: We are talking about $732 million over three years, which comes to $244 million a year.

First of all, M. Speaker, since I am not a member of the Opposition, I would like to mention some positive things. I would like to ask my colleague a question, if you would give me at least a few minutes to prepare it, since only negative things were mentioned. There must be some positive elements in this budget, even if it contains a tax on tobacco.

[*English*]

The Acting Speaker (Mr. Paproski): A point of order, the hon. member.

Mr. Parent: Is it your understanding, Sir, that we are able to question the questioners in these question periods or are we talking to the minister? What is it?

The Acting Speaker (Mr. Paproski): He is now asking a question. My understanding was that he was questioning the hon. minister on a particular speech, but I just got the word here from the hon. member for Broadview—Greenwood that it was in regard to the hon. member for Ottawa—Vanier's speech. The hon. member should know, because he has been here for quite awhile, that you do not, on questions and comments, ask or question

another speaker. The one who just spoke is the one you ask the question of.

[*Translation*]

Mr. Della Noce: I do understand, Mr. Speaker, and I thank you. Just the same, I should like to make a correction while this is still fresh in my memory.

My honourable friend did not quote the right amount of money. He was wrong when he said $732 million; since this amount will be spent over a three year period, it is only $244 million a year. I wanted this correction to be part of the official record. My honourable friend has read the same article as I have, I am sure.

Now, here is the question I wanted to direct to my honourable friend. In fact I might have risen on a question of privilege, but there are still in the budgets some positive measures, even if there is a tax increase on cigarettes. I still sympathize with the people involved in this industry who have been in a very difficult situation for several years. On the other hand, nobody mentioned for instance that there has been no tax increase on gas, something which affects a great many businesses.

My question to the hon. member is very simple: Today, during the Oral Question Period, I realized that many members still do not understand transfer payments to the provinces work. Personally, I understand perfectly but I was quite suprised today—my hon. friend will correct me if I am wrong—to hear that many Opposition members did not or pretended not to.

We have made no cuts to the transfer payments to the provinces—I think he mentioned this in his remarks—but we limited the increase to 3.7 per cent. Therefore, I should like my Hon. friend to tell me if I understood him correctly or whether the opposition feigned not to understand. I feel the opposition should read again the document which the Minister of Finance tabled yesterday.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): I am sorry, Mr. Speaker. Obviously, as my hon. colleague just said, transfer payments will increase in each of the provinces. Only the amount of such equalization payments to the wealthier provinces will in some cases be limited.

But the fact is that despite harsh economic conditions and with very little room to manoeuvre, we were able to considerably increase transfer payments to the provinces in many areas. What we have indicated is that, in tough times, we have to better identify our priorities. That is what we have done, as well as increase transfer payments to the provinces by 3 per cent, and transfers for research by 3 per cent. Also, we were able to come up with $7 billion, including $3 billion for the unemployed.

[*English*]

The Acting Speaker (Mr. Paproski): I regret that questions and comments are now terminated. Debate.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, last night as I listened to the Minister of Finance deliver his seventh budget, I asked myself: "Where are the ideas that could animate and inspire a whole generation?" Ideas, visions and principles move a nation, and for ideas to have meaning they must be returned to their centre. That centre is the human being; the human being suffering, working, striving and hoping. This is where I think the Minister of Finance and his advisers have failed. They have failed to relate to the human being. Our distinct Canadian society is centred in the person.

This minister talked about a national exercise to bring together the ideas and efforts of all Canadians. But for an effective and meaningful national exercise, trust must be the first rung on the ladder. For a minister of finance to earn trust, people will look at his track record, past and present. Does the past track record of the Minister of Finance build the trust factor or diminish it?

I would suggest over seven budgets of cuts, cuts, cuts—and I do not talk about cuts to eliminate waste, I talk of cuts because of lack of creativity. There have been multiple tax increases on the personal side, GST, sell-offs, giveaways of Terminal Three; a litany of forecasts never achieved. The trust factor on being sincere about reducing the deficit from 1984 to 1988 when we had one of the best economic performances in this country, where was the effort to reduce or hold the deficit and the debt then? He supervised. He was the Minister of Finance when the deficit went from $180 billion to $370 billion and blamed all of that on Liberals who were not in

power. The trust factor for this minister is on precarious ground.

Let us talk about the present, last night's budget. Once again, the cornerstone of this government's plan, its Speech from the Throne, was the environment. And right off the bat we see in last night's budget cuts again. The Canada Assistance Plan which will affect our municipalities; Telefilm Canada cuts; Science and Technology, which affects our research and development, which affects our training, something we need so badly to meet the competitive levels that the Minister of Finance talks about.

Housing. We have the worst state in our history for affordable shelter in this country, and what does the Minister of Finance do instead of trying to alleviate this problem? He pulls back over five years $411 million.

• (1700)

I am going to mention the Toronto Ballet Opera House. I am going to mention it because on the face of it, it would seem that the minister does not realize that a ballet house is not just for those who go to the ballet. The ballet is a cultural contribution and this is one of the greatest industries that we have in this country. It is also for tourism which is the biggest job creator in this country. But, once again, he has misread it and it is cut.

The same with cultural centres in other parts of the country.

Wage controls for the Public Service. The Minister of Finance does not realize that now with the problems we are having during a recession, with the unemployment rates going so high, with the problems we are having in immigration because of refugee backlog, with the problems we are having at Canada Mortgage and Housing, that at this time more than ever we need our Public Service to really give the kind of service that supports all of us as parliamentarians. So, when you sort of come along and spit in their faces, as we have done with this budget, that affects morale, that affects productivity and that affects the mood of this entire country.

When it comes to the present and we look at this budget, once again I see that the Minister of Finance's trust factor is again diminished.

The minister used the words "national exercise", "national unity", "faith", "Canadian value system". We have the world's second highest standard of living.

I am absolutely amazed when I hear this group of Conservatives rediscovering the word "national".

I am amazed because for the last six years they have been decentralizing and denationalizing and retreating from national programs and national standards as if they were in some form of a dismantling race.

When I hear the Minister of Finance use the word "national", I feel it is like some kind of a deathbed conversion.

I want to repeat that the human being is where we must begin.

I suggest that human beings want to be treated fairly. When fairness is a part of the national mood, then productivity will increase. Then, and only then, will the objectives of lower interest rates, lower inflation, lower cost of goods, full employment happen. Only when a human being feels like he is being treated fairly can the trust factor take hold.

I believe that the instrument the Minister of Finance has to begin that national mobilization that he talks about, to begin that galvanization, the instrument that he has at his disposal is the tax system. It is the one instrument that touches everyone coast to coast and the Minister of Finance ignored that instrument. He ignored it last night. He had one page in this budget devoted to the tax system and said: "Over the next few months we will listen to people. We will listen to their ideas and then we will go from there".

How can trust be present unless we begin with the human being and that is where the Minister has failed. He is looking at a set of numbers in a macro sense, but he is not going back to basics.

The way we galvanize the will of this nation is by treating people fairly. We know that the current tax system in this government, run by this government right now, and I will say that previous governments which we were a part of, is in sad shape and needs a major overhaul. The Minister of Finance failed to have the courage to address it in last night's budget.

I want to mention Mr. Yves Séguin, who was Minister of Revenue for Quebec until six months ago when he resigned over the GST. He said last night on Radio–Ca-

nada, the French CBC network, *Le Point*: "Canadian unity is in danger if the tax system is not profoundly reformed. It is favouring the rich more than ever".

How can trust be present with a minister who has failed to address the human being? What we have here as a result of that is a policy document with no moral substance. Therefore, I say, that with every good intention of this minister, this document is going to end up like the previous six where very little of it will come to reality.

[*Translation*]

Mr. Guy Ricard (Laval—Ouest): Mr. Speaker, I listen to the speeches of members of the opposition and I am having some difficulty with examples they give.

I will first make a comment then ask a question, Mr Speaker. We know the budget is divided roughly into three parts: one third for the servicing of the debt, about one third for transfers to the provinces and the other third for programs. When we came into office in 1984, debt servicing cost about $200 billion and we had to borrow approximately $30 billion a year just to pay interests on that debt.

If my arithmetic is right, $30 billion multiplied by seven years amount to $210 billion, plus the $200 billion we inherited in 1984, $410 billion all told. This is about what figures now reveal.

I listen carefully when the members of the opposition tell us that we do not cut down on the right expenses. Well, it is impossible to reduce the service of the debt that calls for the third of the budget. As for the transfers to the provinces, the minister said earlier that he did not reduce them in the budget. So, that leaves the federal programs to be examined.

I would like to ask a question to the Hon. Member who has just made such an eloquent speech. If we examine the federal programs—as the minister himself suggested it—how could we rearrange the system so to recover adequate amounts of money first to pay the debt and second to improve the lot of Canadians?

[*English*]

Mr. Mills: Mr. Speaker, I would like to respond to the hon. member by saying that first of all when his party took power, the debt was approximately $180 billion and the interest payments during that first year were closer to $18 billion because of the current rate of tax and other accesses his party had to foreign capital. So when he uses numbers like $30 billion and $200 billion I do not mind a small increase, but when he is almost doubling, I get a little disturbed.

The point of the matter is, his party took power when we had one of the best economic performances ever. The Minister of Finance last night talked about setting up this reserve fund, this debt reduction fund, which I think is an interesting idea. My point would be that he mentioned when he was the finance critic in opposition in 1982 and 1983 that he was going to come in and attack this deficit, this debt problem. Why did he not implement some of those ideas at that time when he had an economy that was working in his favour? That was the time to begin acting on his words.

When we have a severe recession on our hands, it is not the time to ignore those 1.5 million people who are unemployed.

• (1710)

If these 1.5 million people are put to work, it will generate revenue and that will pay down the debt and the deficit a heck of a lot faster than an almost programmed unemployment. With 1.5 million people unemployed the entire social safety net becomes stressed to the point where we are locked into these deficit and debt numbers. That is where we take exception.

We hear about job creation programs being gutted and tourism programs being gutted and the small business of this nation, which employs 80 per cent of the labour, being threatened by an almost 150 per cent increase in UI premiums. That is not how to get an economy working again. That further demoralizes it.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I have listened to the very reasoned and reasonable critique of this budget by my colleague. In his remarks he mentioned the cuts in the transfer payments. I feel that the young people of our province and of our nation are going to be attacked by this budget because it is going to put tuition fees and the price of books, on which they are charged the GST, out of their reach.

I would like to address a very specific question to my colleague. I would like to know how he feels this budget is going to be of any benefit to the people who are in our post-graduate institutions here in Canada. Would he have any suggestions they might be able to use in order

to enable them to get through the problem of this budget.

Mr. Mills: Mr. Speaker, I thank my colleague for his question.

He has asked me a very tough question. When I go through the litany of cuts and see the attitude in terms of cuts in science and technology and programs related to training and cultural industries, I do not see any real hope there. Because I do not see any hope, I think this budget is on the wrong track. I want to repeat, I do not think the minister is dealing with the human being who has individual aspirations. He does not realize that in order to get people to achieve at the level my colleague is talking about, or even at shop floor level, he has to put some fairness into our system. I do not think this budget addresses fairness in any way, shape, or form.

The Acting Speaker (Mr. Paproski): I will entertain a supplementary, but first I will recognize the hon. member for Winnipeg St. James.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I congratulate my colleague from Broadview—Greenwood for an excellent presentation.

When he talks about putting people at the centre of things that we do, I think he is on the right track.

I want to remind my colleague from Toronto about a debate we had two and a half years ago about the free trade agreement. Our concern at that time was something that we called harmonization, in particular harmonization with certain social programs in the United States. Our concern was that this Conservative government would drag down our social programs to the level of the Americans, in other words, reducing our social programs to the lowest common denominator.

And what have we seen? I will give two examples. In the budget of yesterday there was an increase of 24 per cent in UIC premiums. UIC has been disavowed in this country. The government has backed off from unemployment insurance, a la the American style.

What about medicare? The same dismal story. The government is backing away from medicare. More than $2 billion was taken out of transfer payments in this budget alone.

In my opinion what we have is harmonization; harmonization that is rampant. I would like to know from my colleague from Toronto whether he sees exactly the same thing.

Mr. Mills: Mr. Speaker, in my riding of Broadview—Greenwood there are 20,000 senior citizens. If there is one comfort they feel in our community, in our country, it is our medicare system.

Canadians are aware of the fact that there are close to 40 million Americans without medicare, close to 40 million. When they see or feel us shifting to a standard that is similar to the United States, and they are at a period in their lives where they are basically helpless to do anything about that shift, they become very nervous. I hope this government will not last long enough to get to that point of harmonization, but I have absolutely no doubt in my mind that because of its fear of being lacking in competitiveness it will choose cuts, cuts, cuts rather than creating a bigger pot.

Mr. Guy Ricard (Laval–Ouest): Mr. Speaker, I wonder if I correctly understood the answer of the member who just spoke a few minutes ago. I think I heard that he was suggesting to the government that the deficit be increased by some billions of dollars instead of cutting or reorganizing some programs.

I wonder if he is aware that the people cannot afford an increase in the deficit. Am I correct in understanding that?

Mr. Mills: Mr. Speaker, what I tried to say in my speech was the following: if a nation, a people, feels it is being treated fairly, then productivity grows immediately. Increased productivity creates more products at a better price, which creates more revenue for the Government of Canada, which creates more jobs, which means that there are fewer people on UI, fewer people on the welfare rolls, and more exports. That is where I am coming from.

It is only when the government introduces the GST and cuts, and demoralizes a community that there is a disincentive to productivity, and that disincentive to productivity comes right back in its deficit face.

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I am pleased to have an opportunity today to speak in support of the budget that was presented by the Minister of Finance last night.

This budget is consistent and can be taken in the context of the long list of economic reforms and restructuring that we have been pursuing over the past six years. At that time we set out on economic and non-economic fronts to deal with, what were in some cases, long outstanding problems that were the country and restricting us from reaching our true potential.

During that time we reformed the energy sector through abolition of the National Energy Program and deregulation. We reformed the transportation sector through deregulation. We reformed the investment sector through abolition of the Foreign Investment Review Agency to allow for increased foreign investment, especially needed in resource areas of the country like Alberta and western Canada.

We have been privatizing Crown corporations. We are trying to expand trade opportunities through such measures as the Free Trade Agreement with the United States and are now examining the possibility of a trilateral trade agreement between Canada, the United States, and Mexico.

We made major reforms to the unemployment insurance program. The list goes on and on.

• (1720)

All of these have been an attempt to make the Canadian economy more market oriented, more able to compete in international markets. I believe each of these steps has been positive in itself. Frankly, on most of them we have no choice.

The world economy has undergone and is continuing to undergo radical change. If we think back to 20 or 30 years ago, there were a few industrialized countries like our own producing most of the industrial products and services for the rest of the world. We think of countries like Japan back in the fifties and sixties. They were thought of as producing low quality products that nobody really wanted. We do not think of Japan in that way any more. The same can be said for countries such as Taiwan, Korea, now Thailand, and others, which have gradually moved to value added high technology products that now compete with the best that we can produce here in Canada.

We are currently seeing a virtual revolution going on in eastern Europe. Those countries have recognized that they must move forward and they must become more market oriented if they are going to share in the same kind of economic benefits as has the rest of the world.

What this means is that we no longer have a monopoly on technology and industrial production that we used to share with a few other countries. Today, our former customers are now our competitors. But we have always been and continue to be a trading nation, the second most dependent nation in the world on trade.

Now trade, investment and capital flows are more international than ever before. It is competition that we have not known in the past or at least not known to this degree, and it is probably going to be much more severe in the future. This means that we have to prepare ourselves for what is coming.

I believe that these structural reforms, along with the signals that have been given in yesterday's budget, put us in a position to do that. On page 51 of the budget document reference is made to this:

> The government's structural reforms, implemented since 1984, have helped raise the economy's potential growth rate from about 2 3/4 per cent during the 1980s expansion to a projected 3 1/4 per cent over the medium term.

That increased capacity of approximately three-quarters of a percentage point of real growth per year is where we can find the resources, among other things, to deal with the deficit and debt problem we are concerned about, but also on an ongoing basis free up money and capacity to do the kinds of things that most of would like to get on with.

The potential growth rate is determined by the growth of labour, capital and total productivity. As noted on page 51:

> The Free Trade Agreement with the United States, deregulation of industries, and the effect of the GST will stimulate capital spending. The capital stock is expected to grow 4.4 per cent a year over the medium term, up from 3.5 per cent—The structural reforms will also raise total factor productivity growth which should average 0.5 per cent a year compared with virtually no growth during (the last) expansion.

While aggregate output growth is expected to be similar over the 1993-96 period to that recorded between 1984-87, there will be many differences in the over-all performance of the economy. Much more of the growth will come from business fixed investment and a net trade balance than in the previous expansion which was led by

growth and consumption, both by households and governments.

Productivity performance should also be better. These differences in the composition of growth, more supply and less consumption will contribute to fundamentally lowering inflation pressures and an improved competitive position internationally. The economy will therefore be in a much better position in 1996 than it was toward the end of the 1980s.

By 1996, Canadians, under this scenario can achieve an economy with no government sector debt, no current account deficit, no net reliance on foreign savings, and low inflation. This represents a return of the more balanced economic type of environment that we had been 1950 and the mid-1970s.

In short, we will have set for sustained growth and prosperity rather than the wrenching cycles that we have been going through between the 1970 and 1980 period.

How do we achieve this? I guess what is important in the message from the Minister of Finance's budget last night is the fact that fundamentally we must continue to keep the growth in the deficit and debt under control. The only way to manage and keep sustained growth in the economy is to keep interest rates low on a permanent basis. High public sector deficits do not allow for that.

Many people do not understand the relationship between government debt and interest rates. Essentially, there is only so much money available in an economy from the savings that people have put into retirement plans and other savings instruments. If the government consumes all those savings or a substantial part of them, it crowds out demand from other sources such as business which wants to borrow for investment. Essentially the price then goes up or interest rates go higher, meaning our companies and Canadian business cannot compete in the capital markets against other countries where capital is available at a lower rate. We have seen this, for example, in Germany and Japan.

There is no other way of doing this. Other countries have tried. They have tried, for example, printing money, which is about the only other choice. That just simply does not work.

Sometimes in this House we tend to talk as if the government and the Bank of Canada can set interest rates simply where they wish, with no other consequences. The fact of the matter is their ability to do that is limited. Essentially, international capital markets are going to have a much more greater influence in the things we do in Canada.

That is why, in order to establish the environment for lower interest rates, we must give the signal that both public sector debt as well as inflation are going to be maintained under control. That is why in his budget last night the Minister of Finance dwelt essentially on those two items, because both are related.

If we keep inflation under control or reduce it to the 2 per cent level that he is seeking, this sets the environment for lower interest rates on an ongoing, sustained and permanent basis. This naturally reduces the cost of borrowing for everyone, including the government, which means that the debt we carry will be easier to pay the interest on. As well, we will be able to start to reduce that debt because after about the middle of this decade, about 1995, we will hopefully be in a position where we will not be issuing any more new government bonds.

Of course all of these are predicated on some assumptions, but I believe that the Minister of Finance in his budget last night has made realistic assumptions, as realistic as anyone can make given the nature and times that we are living in. None of us, for example, a year ago in the budget debate would have expected to have gone through a war between then and now. We will likely face other challenges between now and next year's budget.

I think what the Minister of Finance has shown last night is that he is prepared to make the adjustments necessary to stay on track. He set the track several years ago. He has consistently addressed this every year. Adjustments are required and he made them. We have made some adjustments again in terms of the public sector and what we plan to do as a government. We have done that, to send a signal to the private sector so that it can have the confidence that the economic climate, inflation and interest rates will be maintained and that levels of inflation and interest rates will be reduced.

Hopefully this will bring the kind of investment stimulus that we are all looking for and the kind of job creation that we would all like to see.

I would like to say one thing, because I see there is a member of the Liberal Party seeking to ask me a question.

• (1730)

I enjoyed his speech, by the way. He talked about tax reform, which is a favourite topic of his recently. I wonder if he could comment, while he is asking his question, on when he is prepared to come to the finance committee and explain his proposal, because we had to postpone the meeting which was scheduled before Christmas.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, first of all, I will address the question regarding the single tax, which is a fairer and simpler system than the one we have on the table now. It needs refinement and modifications, which I am doing in conjunction with my leader's tax task force.

Our single tax team would be happy to appear before the finance committee in the not too distant future. We hope that we will provide some creativity for him.

My question has to do with the dollar. I notice that the Minister of Finance last night never talked about the dollar, and none of the speakers today on the government side talked about the dollar. We all want to increase our competitiveness, we all want to get full employment going again, and we are all concerned about exports.

I would like to know the member's thoughts on bandying the dollar around 78 and 82 cents. He never mentioned his thoughts on the dollar during his speech. I wonder if he would elaborate on what he thinks that might do to stimulate exports, which would take people off the unemployment rolls. That in itself would not have a great effect on inflation or interest rates in my opinion, but at the same time would probably take less drag on the deficit.

What are his thoughts on that?

Mr. Dorin: Mr. Speaker, first I would like to say that when he gets his caucus to agree to his tax proposal, I can assure him that I will have no problem in getting mine to support it.

Mr. Mills: Did you hear that?

Mr. Wappel: Absolutely.

Mr. Dorin: As far as the question about the dollar, there is often debate as to whether or not the dollar is too high relative to the productivity in the country. But when he suggests that somehow we can bring this dollar down, one has to ask: how does this happen?

There is a suggestion that the Bank of Canada has been doing something to keep the dollar high. In fact, the numbers do not bear that out. Foreign reserves are at an all-time high, something in excess of $20 billion. What that means is that the Bank of Canada has been intervening in financial markets, essentially to try and keep the dollar from going even higher.

Beyond intervening in those markets and accumulating even higher degrees of foreign reserves, there really is not any direct way of dealing with it unless we are prepared to impose some kind of currency controls.

We used to have a fixed dollar; we used to have it fixed to the United States. But that was abandoned because, essentially, it did not work. The government could not make it stick. There was simply too much pressure on the dollar. There were too many dollars available for sale that the government then had to buy up, and that policy was abandoned. Most countries in the world that have had those kinds of policies have also abandoned them.

There is really no industrial country in the world at the moment, that I can think of, that has this kind of policy. The Europeans are trying to bring about a more common currency. The Deutschmark does dominate the economy there—and they do intervene—but in part that is because they have the Bundesbank in Germany essentially supporting that. For us to peg the dollar to the United States dollar would, for the most part, require us to get the Americans to agree to assist us. I am not sure that they would, in the first place, and probably we would not want them to do that.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I listened carefully to the member's address. If I understood it correctly, the member has great faith in the prognostications and tea-leaf reading ability of the Minister of Finance. I of course do not have that same faith.

I would like to ask three specific questions to the member, addressed to some of the prognostications that

were made by the finance minister last year as compared to what he in fact said last night in his budget speech.

He said last night, and I quote, "We will hold the deficit to $30.5 billion this year and next"—I repeat, $30.5 billion this year and next—"despite the pressures of recession". Then he predicts that the deficit will fall next year below $25 billion for the first time in a decade. I ask the hon. member, does he believe that, in view of the fact that last year the Minister of Finance did not say that he was going to hold the deficit, but rather predicted that it was going to be below $30 billion? He did not predict a recession, which he himself made.

Later in his speech he said, and I quote: "The economic recovery will begin in the second half of this year and accelerate next year". So the question is: Does the member believe that statement, in view of the fact that last year the finance minister in no way in his speech predicted that this year there would be a recession? On the contrary, he predicted the exact opposite and was wrong.

Finally, he predicted in his speech yesterday—he was talking about interest rates—that the interest rates will be well below the 1990 average of 13 per cent. Indeed, the 1990 average was 13 per cent, but I am sure the member will remember that the finance minister predicted that they would not be anywhere near 13 per cent when he delivered his budget in 1990.

I ask the member: Does he believe in the prognostications of the Minister of Finance on those three points, three points on which he was 100 per cent dead wrong one year ago? If he does, why has the minister's future seeing ability, clairvoyance, suddenly got better?

Mr. Dorin: Mr. Speaker, I will try to respond to that as briefly as I can because I think we are nearly out of time.

First of all, yes, I do believe that the minister will meet his targets. I think that anyone involved in predicting economics, or for that matter in budgeting in a business, would recognize that in terms of the order of magnitude we are talking about a difference in the deficit between what was predicted and what it is now coming in at of about $1 billion to $2 billion.

In government we use billions, but in business we deal with either thousands or millions. In order of magnitude with a $150 billion approximate expenditure budget, we are talking about something between a 1 and 2 per cent variance here. I think that with any business plan that comes in with a 1 or 2 per cent variance, most businessmen would think they had been pretty close.

In terms of the economic recovery, the member has asked why do I believe that that will start in mid-year. I think that is probably a good case because last year it was expected that the economic slowdown would come sooner than it did. In fact, it came somewhat later in the year, which probably means that the recovery now projected is going to begin somewhat sooner than we might have thought last year.

As far as interest rates, the fact that the economy remains stronger than predicted for a period of time is one of the reasons interest rates also remain higher. What we are seeing now is the response. Interest rates have fallen; the demand for borrowing and credit has been reduced. In all likelihood, I think if anything the Minister of Finance's projections are probably conservative.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, a number of my colleagues have already or will shortly speak on specific aspects of the budget and how they affect Canadians in various regions of our country and in various sectors of our economy, the adverse impact that the budget will have on the expectations of Canadians during this period of recession.

• (1740)

I want to spend a few moments in this budget debate on the question of where the government has come from and pick up a point that my colleague from Scarborough just touched upon, and that is the credibility of the government and of the Minister of Finance in offering Canadians their budget forecast for the time ahead.

The Minister of Finance and the government enjoy nothing more than to attempt to blame the current recession on the Liberal government in the period prior to 1984. This seems like a footling waste of time of the House of Commons and indeed of the people of Canada to engage in such surrealistic thinking. The fact remains that, in statistical terms, what the government says when it attempts to blame a previous government for its present dilemmas is nonsense.

I shall offer the House one example and then proceed to a consideration of the background of the budget itself.

The Minister of Finance enjoys, it seems, pointing to the 1980–81 recession when interest rates were over 20 per cent. But what he does not add is that at that same time inflation was 12.5 per cent. Not only in Canada, but globally inflation was high. In Canada it was 12.5 per cent, so that the real interest rates were 7.5 per cent.

What happened in May 1990 when this government and this Minister of Finance were in office? Interest rates were at 14.1 per cent, inflation was 4.4 per cent. So the real interest rates in May 1990 were 9.7 per cent and in 1981, as I say, they were only 7.5 per cent, so who is fooling whom? The fact is that this government has made its own recession. It has created its own recession. At a time when interest rates could have been much lower, the government pursued its wrong-minded interest rate policies and contributed to the recession that all Canadians have been affected by during the last year or so.

I shall return to that point shortly, but I also want to say that, prior to this budget, Canada has been a country in quite severe recession. That is in part the result of the failure of this government to take the five and six years of unprecedented prosperity in the 1980s as an occasion to rein in government spending, to make those years a real occasion of reducing the debt and reducing the deficit in accordance with all orthodox economic thinking.

After all, in past years, thanks in part to the measures of the Liberal government prior to 1984 introduced, we have had strong employment, strong economic output, strong income. Then there was a case for a more conservative fiscal policy. When the economy is buoyant that is the occasion to take measures to curtail in government spending and to permit the private sector to expand and develop as it can do in the circumstances which I have described.

But what we have seen is a reversal of Keynesian economics. We have had a reversal of orthodox economic thinking from this government. It did not act in a time of prosperity. It did not act during its first years in office to counter excessive spending in the economy. It did not rein in government spending. When the time came that it realized that the economy needed regulation and control, it sought only the monetary route to do so. It imposed ever higher interest rates on Canadians. It imposed interest rates as virtually its sole method of attempting to fight what it perceived as growing inflation in Canada. In doing so, it not only discouraged investment, discouraged small business, discouraged farmers from making further commitments to growth in our economy. But the government also increased, and I have to think intentionally, the spread between Canadian and U.S. interest rates to unprecedented levels. Now what does that mean for the average Canadian? It means a loss of jobs. It means a loss of exports. That is what the continuing wide gap between U.S. and Canadian interest rates means. Yet, this government went right ahead and persevered in its wrong-headed policy of ever-increasing interest rates.

The government knew that by doing so, that each point of increase in interest rates meant a yet higher deficit service charges for Canadians. Our deficit service charges increased until the point has been reached where the government has had to acknowledge in this budget that it has made no progress in reducing its deficits. Our deficit today is far higher than the Minister of Finance predicted only a year ago. It is back to what it was when he came into office following a major recession.

The result of this high interest rate policy and of the differences in interest rates between Canada and the United States has been to drive up the Canadian dollar. It has driven the Canadian dollar up to unrealistic levels, levels which do not match our productive capacity. The result of that unrealistic exchange rate is that we are suffering from the inability of Canadians to export not only to the United States, but abroad, because the value of the Canadian dollar is grossly inflated.

We have seen the results in Canada of the effect of the high interest rate policy the government has pursued with a wrong-headed obstinacy. If anyone does not believe what I am saying is reliable, let me refer to the Economic Council of Canada, a respected economic think tank financed by the government.

In reviewing economic policy of the past two years, the Council said that it does not believe that the current rate of unemployment is acceptable and unavoidable. The council concluded: "One painful lesson learned about fighting inflation with monetary restraint—that is, high interest rates—is that the remedy only works when it brings on a recession. This in turn reduces employment, investment and export sales". That is exactly what this government has done. It has brought on a made-in-Ca-

nada recession. It has driven up unemployment. It has discouraged investment and our exports have sagged.

That is part of the background to the budget that the Minister of Finance introduced last night.

I want to turn for a moment to a more specific review of the minister's credibility. Last year in his budget, the Minister of Finance projected that interest rates would fall from 12 per cent in 1989 to 11 per cent in 1990. Instead, they averaged 13 per cent, further fueling the pressure on the deficit that I have already touched upon. As interest rates go up, so goes the deficit. The government has in response now cut and slashed programs in the name of reducing the deficit. Yet it created many of the circumstances, through high interest rates, that have lead to the major deficit that confronts every Canadian.

The Minister of Finance, in his last budget, predicted an inflation rate which would decline from 5 per cent in 1989 to 4.7 per cent in 1990 and would reach 4.5 per cent by the end of last year.

• (1750)

Yet, what is it today? Canada's inflation rate stands at 6.8 per cent although our economy has been enduring the made–in–Canada recession for over six months.

I want to cite another example of the inability of this Minister of Finance to offer the Canadian people accurate forecasts, accurate predictions, of what is going to happen in the economy in the time ahead.

The Minister of Finance's deficit prediction was $28.5 billion for 1990, and for 1991, $26.8 billion. Now we know that the deficit this past year has amounted to $30.5 billion and indeed the minister himself acknowledges that it would have been $35 billion if he had not acted in some way to reduce the growth in the deficit.

One can go on. There are many examples of how inaccurate this minister has been in his forecasting and in offering the Canadian people any certain guide to what lies ahead.

In his last budget, the minister predicted that Canada would experience a 1.2 per cent growth rate in 1990, but he added: "Growth is expected to rebound in the latter half of 1990 and in 1991, led by an improvement in net exports".

In fact, the economy shrank in the second quarter of 1990 by almost 2 percentage points to be followed by further contractions in both the third and fourth quarters of last year. Moreover, in the first quarter of 1990 I regret to say that Canada marked a record current account deficit in its trade of $20 billion. This was not the improvement in net exports which the Minister of Finance not a year ago promised the Canadian people.

What is the situation if we turn to the budget today? What is the situation with regard to the government's credibility and the Minister of Finance's forecasts?

This budget which is full of rhetoric but short of facts offers the assurance that short–term interest rates are expected to fall to 9.5 per cent this year from the current level of slightly over 10 per cent, and average 7 per cent over the medium term.

This is an interesting statement on the part of the Minister of Finance because until very recently he was as staunch a monetarist as the governor of the Bank of Canada. He was saying: "We must above all things pursue high interest rates as a method of restraining inflation". But suddenly the Minister of Finance seems to be a born–again fiscalist. He has given up his monetary obsessions and has now decided that the principal obstacle to increased affluence in Canada and increased prosperity is high interest rates. Above all things, we must now bring down interest rates.

Yet it was he himself who raised interest rates steadily every month, every month over the past year and a half. It is he who has now decided that his principal task is to bring down interest rates. But they are not to come down very much. They are just to come down from the current 10 per cent to a 9.5 per cent average over the next 12 months.

That is not much of a reduction. It certainly will do nothing to close the gap between Canadian and U.S. interest rates. It certainly will not be enough to bring about the resurgence of investment, the resurgence of economic commitment that all Canadians seek.

In believing that he can bring down interest rates even to that limited level, the Minister of Finance suggests that inflation will fall to 2.9 per cent by the end of 1992 and 2 per cent by 1995. Mr. Speaker, 2.9 per cent inflation by the end of 1992 from the 6 per cent and 5 per cent inflation that Canadians have been experiencing is a

major reduction. We are to see inflation cut in half in two years.

The Minister of Finance does not tell us how he is going to do this.

This is quite wonderful. This is quite marvellous. There is nothing that any of us would prefer to see than inflation brought down at such a rapid rate. But as the Toronto *Globe and Mail* said today, these numbers are amazing. They are not backed up by any information, any projections, any details about how Canada is to achieve this quite remarkable reduction in inflation while at the same time interest rates are only supposed to fall a very little bit.

The minister further claims in this budget that in 1992–93, instead of the present $30 billion–plus represented by the deficit, we shall have a deficit of $24 billion, $16 billion the following year, and $10 billion in 1994–95. These are amazing numbers, as the newspapers have said. But the Minister of Finance does not tell us how he is going to get there.

I would suggest that we take a very careful look at the assumptions made in this budget. The Canadian people will ask themselves where, for example, the 3.5 per cent growth is to come from next year. Canada, deep in a recession today and with some quarters exhibiting no growth and some quarters negative growth, suddenly next year is to achieve growth of 3.5 per cent and 4 per cent in the following year. The Minister of Finance, in offering these bald numbers unsubstantiated by any analysis, stretches the credulity of the Canadian people. Who can have confidence in these numbers on the basis of the minister's past performance or in the past performance of this government? These are numbers one might hope will be achieved, but on the present evidence and on past performance, the Canadian people can have no confidence that this government is capable of bringing about the radical change that is set forth in this budget. And yet, at what a price? At what price has the government set itself these goals?

The government talks about radically restructuring the economy, making Canada more competitive. What is most striking about the government's failure to act over the past seven years is that on the debt, on the underlying structural weaknesses in the economy, this government has not acted. It has not acted for seven years. It is now attempting to act in an inappropriate way. This is what comes from an economic philosophy that believes that the government has no role in the economy, in a political agenda which has resulted in the fragmentation of our country along regional, linguistic or social lines.

What the Canadian people are looking for are not these pie–in–the–sky, excessively optimistic, unsubstantiated budget measures which do not really address the principal issues confronting Canada today.

An hon. member: Hear, hear.

Mr. MacLaren: I am very pleased to hear the member opposite supporting the views that I have just set forth. I am sure their views—

The Acting Speaker (Mr. Paproski): Well, on that basis my clock here shows six o'clock. The hon. member will have ten minutes remaining in his questions and comments when he begins tomorrow.

It being six o'clock this House stands adjourned until tomorrow at eleven o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 6 p.m.

HOUSE OF COMMONS

Thursday, February 28, 1991

The House met at 11 a.m.

Prayers

[*English*]

PRIVILEGE

STANDING COMMITTEE ON JUSTICE AND THE SOLICITOR GENERAL

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I wish to address a question of privilege.

The matter giving rise to my claim for privilege arose in the month of December last. On December 18 I rose in the House and gave notice of my intention to raise a matter of privilege. At that time I indicated that the matter might better be raised and discussed at a point in time later. Subsequent to December 18, of course, the House adjourned. It did come back to deal with the gulf war, and this week we have been dealing with the budget.

During that time there have been discussions between a number of parties involved in the events that gave rise to my claim. These discussions have enhanced, in my view, the understanding of the issues among the parties, but the matter has not, unfortunately, been dealt with.

The first thing I have to do here, Mr. Speaker, is to show to you that a prima facie case of privilege exists here, and I want to outline just precisely what that is now.

Mr. Speaker: The matter which the hon. member is raising was raised, as he has very properly pointed out, some weeks ago.

• (1110)

I may have to interrupt the hon. member before his submission is concluded because I have some procedural difficulties with hearing this application at this time.

However, I would invite the hon. member to put, not in extensive argument, but briefly the point that he wishes to make. I may have to interrupt him at that point. If I do have to interrupt him, I want it made very clear that that does not in any way preclude the hon. member from raising this matter at perhaps a later time.

I am not trying to preclude the hon. member, but the Speaker may be in some procedural difficulty here. I will explain that if I have to.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I appreciate your intervention. If I may just comment very briefly, I believe I have the general sense of what the member is concerned about.

I do not believe, from what I know of it, that it is a case of privilege. However, I think it is an issue that is important to the House and therefore if the member were to be brief, succinct and to the point, I want to signal to the chair that we, on this side, are prepared to listen to his arguments.

I would have some brief comments after, if that would be allowed by the Chair.

Mr. Speaker: I very much appreciate the comments of the hon. parliamentary secretary. I do know, of course, about the issue. I think all hon. members do. It is an issue of terrible importance to the public and I think to all members of this House.

I will accept the hon. parliamentary secretary's invitation to hear the hon. member.

Mr. Lee: Simply on a point of order, would it be preferable, Mr. Speaker, if I were to defer making this case to a later time today when the hon. minister has completed his work in connection with the estimates?

If that is the difficulty, I would be prepared certainly to postpone my argument until Orders of the Day had commenced. The reason I say that is because I do not believe the privilege matter I wish to raise here lends itself to a cursory introduction.

I believe it is more complex and important to the House than that. I would prefer to place all of the case at one time.

Mr. Speaker: I think I should say this to hon. members and again to the public which is listening and watching. I do not take anything away from the hon. members' advocacy.

This matter arises because a committee has indicated that it wishes a minister to release certain information in a confidential report that relates to an individual who escaped from custody and committed offences while he was out of custody.

That is the issue. That is the subject matter of the issue, but it is not the procedural issue that I have to face.

The matter has been reported by the committee back to the House. It has not been dealt with yet by the House. For me, that creates certain procedural difficulties.

If the hon. member wishes to let this matter go for a little while longer, I most certainly of course will consider that as an adjournment of the question of privilege and I will hear the hon. member further.

I want to make it very clear that I understand, very clearly, not just as Speaker of the House but as a member of Parliament why the hon. member does not want to just make a cursory comment.

It probably would be better, now that the hon. member has raised it for the second time in the House—I appreciate the hon. member's co-operation in this—that it be adjourned further. That does not preclude the hon. member from raising it.

I thank the hon. parliamentary secretary for indicating that there is agreement on the government side for that course of action.

I also want to say to the House that the co-operation and the attention that the hon. member has given to this matter and to the information that has been given to the Speaker—not just, by the way, from the hon. member but also from the other side of the House—is helpful to the Chair.

I thank hon. members for that.

The hon. member on a point of privilege.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I do not raise points of privilege very—

Mr. Speaker: Perhaps there has been an error somewhere, but the Chair does not have any notice of the point of privilege.

Mr. Althouse: Mr. Speaker, I could have perhaps run up to you and given you this while you were in the midst of a ruling. I understand that points of privilege—

Mr. Speaker: I have to say to the hon. member that my difficulty is this: The rules are very clear. I certainly can hear the hon. member later on in the day, but I don't think I can hear the hon. member *à ce moment-ci*.

Perhaps the hon. member would give me notice, and I will take it under consideration and hear him later in the day.

ROUTINE PROCEEDINGS

[*Translation*]

MAIN ESTIMATES, 1991-92

EXPLANATORY STATEMENT BY PRESIDENT OF TREASURY BOARD

A message from His Excellency the Governor General transmitting Estimates for the financial year ending March 31, 1992, was presented by the President of the Treasury Board and Minister of State (Finance) and read by Mr. Speaker to the House.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, in support of the Estimates I should also like to table Part I, the Government Expenditure Plan; as well, on behalf of my colleagues I will then file with the Clerk of the House Part III of the Estimates which includes the expenditure plans of 87 departments. These documents will be distributed to members of standing committees to make it easier for them to consider the borrowing authority sought in Part II of the Estimates.

REFERENCE TO STANDING COMMITTEES

Mr. Loiselle: Mr. Speaker, pursuant to the provisions of Standing Orders 81(4) and 81(6), I move:

That the Main Estimates for the fiscal year ending March 31, 1992, laid upon the Table earlier this day, be referred to the several Standing Committees of the House as follows:

Since there is a detailed allocation of the Estimates to various committees and the list is lengthy, Mr. Speaker, I would ask that it be appended in *Hansard* as if it had been read.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

[*Editor's note: List referred to above is as follows*:]

To the Standing Committee on Aboriginal Affairs

Indian Affairs and Northern Development, Votes 1, 5, 10, 15, L20 and L25

To the Standing Committee on Agriculture

Agriculture, Votes 1, 5, 10, 15, 20, 25, 30, 35, 40 and 45

To the Standing Committee on Communications and Culture

Communications, Votes 1, 5, 10, 15, L20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90 and 95

Secretary of State, Votes 1, 5, 30 and 35

To the Standing Committee on Multiculturalism and Citizenship

Secretary of State, Votes 15 and 20

To the Standing Committee on Consumer and Corporate Affairs and Government Operations

Consumer and Corporate Affairs, Votes 1, 5, 10, 15, 20, 25, 30, 35 and 40

Finance, Vote 35

Governor General, Vote 1

Industry, Science and Technology, Votes 100 and 105

Parliament, Votes 1 and 5

Privy Council, Votes 1, 5 and 35

Public Works, Votes 1, 5, 10, 15, 20, 25, 30 and 35

Secretary of State, Votes 10 and 25

Supply and Services, Votes 1, 5 and 10

Treasury Board, Votes 1, 3, 5, 10, 15 and 20

To the Standing Committee on Privileges and Elections

Privy Council, Vote 15

To the Standing Committee on Energy, Mines and Resources

Energy, Mines and Resources, Votes 1, 5, 10, L15, L20, 25, 30, 35 and 40

To the Standing Committee on Environment

Environment, Votes 1, 5, 10, 15, 20, 25 and 30

To the Standing Committee on External Affairs and International Trade

External Affairs, Votes 1, 5, 10, 15, 20, 25, 30, 35, L40, L45, 50, 55, 60 and 65

To the Standing Committee on Finance

Finance, Votes 1, L5, L10, 15, 25 and 30

National Revenue, Votes 1, 5, 10 and 15

Privy Council, Vote 25

To the Standing Committee on Forestry and Fisheries

Fisheries and Oceans, Votes 1, 5 and 10

Forestry, Votes 1, 5 and 10

To the Standing Committee on Human Rights and the Status of Disabled Persons

Justice, Vote 10

To the Standing Committee on Justice and Solicitor General

Justice, Votes 1, 5, 15, 20, 25, 30, 35, 40 and 45

Privy Council, Vote 40

Solicitor General, Votes 1, 5, 10, 15, 20, 25, 30, 35 and 40

To the Standing Committee on Labour, Employment and Immigration

Employment and Immigration, Votes 1, 5, 10, 15, 20, 25 and 35

Labour, Votes 1, 5, 10 and 15

To the Standing Committee on Management and Members' Services

Parliament, Votes 10 and 15

To the Standing Committee on National Defence and Veterans Affairs

National Defence, Votes 1, 5, 10, 15 and 20

Veterans Affairs, Votes 1, 5, 10, 15 and 20

To the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women

Employment and Immigration, Votes 30 and 40

National Health and Welfare, Votes 1, 5, 10, 15, 20, 25, 30 and 35

To the Standing Committee on Public Accounts

Finance, Vote 20

To the Standing Committee on Industry, Science and Technology, Regional and Northern Development

Atlantic Canada Opportunities Agency, Votes 1, 5, L10 and 15

Indian Affairs and Northern Development, Votes 30, 35, 40 and 45

Industry, Science and Technology, Votes 1, 5, L10, L15, 20, 25, 30, 35, 40, 45, 50, 55, L60, 65, 70, 75, 80, 85, 90 and 95

Western Economic Diversification, Votes 1 and 5

To the Standing Committee on Transport

Privy Council, Votes 10 and 30

Transport, Votes 1, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55 and 60

That Privy Council Vote 20 be referred to the Standing Joint Committee on Official Languages; and

That a message be sent to the Senate to acquaint Their Honours thereof.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I have the honour and the privilege of tabling today the government's Main Estimates for the 1991–92 year.

The Main Estimates provide a host of details on the way the government will spend most of the $159 billion earmarked for budgetary expenditures, as announced Tuesday by my colleague, the Minister of Finance.

By tabling the Main Estimates, the government is asking Parliament to approve new spending authority totalling $47 billion, while the remaining $110.5 billion is authorized under legislation already approved by Parliament.

The Main Estimates reflected our absolute commitment to expenditure control and keeping a tight rein on the cost of government operations.

Since it came to power in 1984, our government's first priority has been to reduce the cost of government operations while continuing to provide Canadians with the programs and services they need. We made it clear that we were committed to sound management and the judicious administration of tax revenues.

• (1120)

Orderly management of a country's finances requires a strict and continuous review of federal programs and services, and a lasting commitment to spending restraint. In this area, we have achieved major results over the past six years. I will understand if you do not applaud, Mr. Speaker, in view of your duties in this House.

The annual increase in program spending was kept down to an average 3.7 per cent between 1984–85 and 1990–91, well below the rate of inflation.

The annual increase in operating and capital expenditures, including Public Service wages, dropped to an average 3.3 per cent during the six years our government has been in power. Again, this is well below the annual rate of inflation and far less that the average of 10.4 per cent we saw during the first half of the decade.

The Public Service has become leaner since 1984–85 and is now about the size it was in the middle of the seventies. This happened despite a significant increase in the volume of work involved in programs and services, increased air traffic, a larger number of travellers going through customs and larger numbers of pension cheques being delivered each month.

The heightened efficiency of government operations was the result of more than strict expenditure controls. We also made a point of focussing on better management of the government itself.

Since 1984–85, operations and maintenance expenditures have been controlled very carefully, and departments and agencies have had to absorb any cost increases due to inflation.

Better financial management made substantial saving possible. Measured wage increases have helped to maintain the government's wage bill at a reasonable level.

Altogether these measures have sent a clear message to Canadians that the times when governments were spenders were over. This is particulary important now that we are going through a period of economic recession, marked by unpredictable external pressure that are likely to generate new expenditures.

[*English*]

Program spending for 1991–1992 will amount to $116 billion. This represents a year over year increase of 6.9 per cent or under 3 per cent after discounting temperate factors such as high unemployment insurance benefits and support to grain producers.

Public confidence in government expenditure control remains a key to restoring the economy to good health. To bolster that confidence and to keep the plan of deficit reduction on track, we will need to reduce program spending further and to take other steps to increase the efficiency of government operations. This requires more than simply a frugal continuation of business as usual. Previous spending cuts and other internal economies have taken the fat out of government operations.

The spending cuts we are implementing are bound to have an impact on internal operations and on the level of services that the government provides, but every effort will be made to minimize adverse impacts.

Although departments have not yet determined the precise areas that will be affected, there are some cases where reductions are already known. These range from the elimination of internal government publications, such as *Dialogue*, to the elimination of direct federal spending on National Crime Prevention Week, to the phasing out of land use planning in the north.

To achieve the savings necessary to sustain a healthy economy and a sound financial position for the government, there will have to be fundamental changes in the way that programs and services are delivered to the public. Departments will have to rationalize their delivery systems and perhaps reduce the number of points of service delivery.

This is a program of expenditure reduction and restraint, and I make no apology for it. We will not ask Canadians to spend more on government than the country can afford.

In the budget the Minister of Finance announced a number of measures intended to bring about both immediate savings and lasting efficiencies in government programs and services. I am announcing today details of some of these measures.

[*Translation*]

The linchpin of this restraint program is the extension of the expenditure control plan and strict controls on the cost of government operations.

The measures we are introducing this week to control the cost of government operations will generate a savings of nearly $870 million for 1991–92. Over the five–year fiscal planning period ending in 1995–96, cumulative savings will exceed $5.2 billion.

These initiatives will have a direct impact on the Public Service, at all levels. We are introducing a three–year wage restraint program which, depending on the outcome of collective bargaining, may result in the loss of 6,000 jobs. Management levels in departments and agencies will be reduced, and the number of management level employees will drop by 10 per cent.

However, although cost reduction is vital to the well–being of our country at this time, it is not the only reason for these changes.

The measures announced today Mr. Speaker, reflect the realization that we can no longer justify the present complexity and cost of government operations. To serve Canadians well, the government must innovate in the way it provides services and depend on organizations that are managed far more efficiently.

We are convinced that these reductions and reforms are necessary if the government is to have sufficient funds for essential programs and services and if it is to set an example to other employers in this country.

All these measures will substantially change the way the government runs its operations.

There will be a freeze on operations and maintenance expenditures and on capital spending related to existing programs.

To accomplish this, the operating and capital budgets of each department will be reduced by 3 per cent in the Main Estimates. As a result, overall spending on existing programs in 1991–92 will be maintained at 1990–91 levels.

The government is taking other steps to reduce spending on grants and contributions that are not otherwise affected by measures already included in the Expenditure Control Plan.

The Leader of the Government in the House of Commons and Vice–President of the Treasury Board, my colleague, the Hon. Harvie Andre, will review current spending on grants and contributions. This review will ensure that current spending is reduced in line with government priorities and with a minimum of inconvenience to the public. Mr. Andre will submit recommendations on how best to target grants and contributions, promote autonomy and reduce duplication.

• (1130)

These additional measures, Mr. Speaker, will generate savings of $75 million in 1991–92, which will reach $125 million by 1992–93.

As indicated by the Minister of Finance, the government will introduce a bill to limit expenditures. Canadians can be assured that program expenditures management will be done in the context of the fiscal plan.

[*English*]

Given the seriousness of our fiscal situation, the government must look carefully at its wage costs. Our approach to collective bargaining must also reflect our commitment to the inflation targets announced by the Minister of Finance.

The government has a responsibility to show national leadership in wage restraint. We are not prepared, therefore, to contemplate wage settlements at greater than 3 per cent annually over the next three years. We believe that this can be accomplished under the current collective bargaining system. We are prepared, however, to introduced legislation if necessary to maintain essential services and to avoid excessive third party wage settlements.

Salary budgets for 1991–1992 will not be adjusted to compensate for new collectively bargained wage increases. There are simply no additional funds available to compensate departmental operating budgets for increased wage settlements.

Any increase in wages must be paid, therefore, through other reductions in the wage and salary budgets, largely through a reduction in Public Service employment. The tradeoff between wages and job losses must be clear and direct and must be understood by all concerned. Each 1 per cent will result in a reduction of about 2,000 jobs so that if agreements are negotiated at 3 per cent the resulting reduction would be in the order of 6,000 jobs.

The choice between wage increases and job losses is not one that is easily made, either by the employer or the bargaining agents, but in the present circumstances of restraint this choice must be faced.

I have already met with the heads of the Public Service unions to seek their support in minimizing job losses. Departments have been asked to identify the job reductions that would be entailed by potential wage increases of up to 3 per cent annually.

Should settlements force a reduction in employment, it is the government's hope that this could be achieved wherever possible through attrition rather than outright lay–offs.

[*Translation*]

In this time of restrictions, the government feels that senior officials wage increases should not exceed that which their unionized counterparts obtain through collective bargaining. A certain degree of relativity must also be maintained between managers and the union members under them.

Therefore, the wage increases for members of the Management Category, deputy ministers and heads of Crown corporations will be restricted and will not exceed the average bargained rate of increase for the Public Service.

The number of managers in the Public Service will be cut, as I mentioned earlier, by 10 percent or approximately 475.

This reduction in personnel will be carried out through a government–wide program aimed at bringing down to three the number of management levels under that of deputy minister. It will enable us to rationalize departmental activities, cut costs, speed up the decision–making process and give more powers generally to the officials in the regions and at points of service.

The departments have been asked to develop a plan to eliminate layers of management and reduce managerial staff by 10 percent. These plans will be implemented starting on September 1, 1991, and the personnel will be reduced over the next two years.

[*English*]

The government will improve the matching of payments it makes with any money it is owed. Revenue Canada, Taxation, will improve the collection of debts owed to governments through its matching and post–assessing activities. These programs are designed to ensure taxpayer equity and the integrity of the tax system. This will be done through the verification of income reported by taxpayers, the examination of claims for deductions and exemptions.

Since 1984, the government has been intensifying its efforts in the area of user fees. Revenues from external user fees now exceed $3 billion, which is more than double the 1984–85 levels. The government is continuing to look for new areas where the application of user fees is appropriate.

Transport Canada will continue to increase the amount of cost recovered from specific users of its services so that the burden of cost on the general taxpayer for these services will be reduced.

The government's privatization program has already moved more than 18 Crown corporations and other corporate holdings to the private sector and other levels of governments.

The government will privatize CN Exploration, an oil and gas company created to exploit CN's mineral rights in Saskatchewan.

Petro–Canada International Assistance Corporation, PCIAC, will be wound up. Canadian foreign aid in the energy sector will continue to be delivered through the Canadian International Development Agency. This will rationalize Canada's energy aid and result in administrative savings.

Canadian Oil and Gas Lands Administration is being wound up. Residual functions will be taken up by the Department of Energy, Mines and Resources, the National Energy Board, and the Department of Indian Affairs and Northern Development.

Privatization remains a key priority. Given our experience to date, however, and our desire to streamline government operations further, there is no longer a need for a separate agency dedicated to this function. Accordingly, the Office of Privatization and Regulatory Affairs will be dismantled.

The regulatory review functions of that office will be transferred to the Treasury Board Secretariat. Responsibility for the co–ordination of future privatization activities will be assumed by the Department of Finance.

[*Translation*]

The government firmly believes that numerous tasks are best and most efficiently carried out by civil servants. However, the government also considers it is important to be able to provide services to Canadians in a variety of ways.

That is why we made sure we could contract out certain functions outside the Public Service when that is in the public interest in terms of costs, efficiency or quality of service. The Canadian people expect nothing less, from a government committed to the sound management of the country.

We have negotiations ongoing with the Public Service unions regarding the development of a new labour adjustment policy which will be eliminating barriers to contracting out.

Should it become obvious that it is impossible to reach an agreement before the existing policy expires on March 31, 1991, the government will introduce in Parliament a bill to confirm its right to contract out, thereby eliminating any existing barrier.

Some hon. members: Hear, hear.

Mr. Loiselle: You agree. I can feel it. But you do not want to say so.

• (1140)

Mr. Speaker, our objective is quite simply to give the government enough leeway so that Canadians may derive maximum benefits from the taxes they pay.

Special operating agencies are a major government initiative designed to improve the delivery of public services. In the past year we set up five organizations, including the passport office and the Canadian government printing services, and the results are quite encouraging. By establishing such organizations we hope to enhance the quality of services and increase the over–all value of taxes paid by Canadians.

In his remarks the Minister of Finance referred to the creation of three new agencies: the bureau of intellectual property, a government agency to monitor racetracks, and the Canadian Grain Commission.

We made that decision to implement private sector management techniques more systematically so we can operate on a commercially–oriented basis for enhanced cost recovery.

I am pleased to announce today that the government will give six additional units serving a wide range of clients the status of agency. Here they are:

Office of General Standards of Canada;

Transport Canada Training Institute;

Canadian Administration of Indian Oil and Gas Lands;

Correctional Services Professional Development Program;

Canadian Heritage Information Network;

Canadian Conservation Institute.

I also asked the Treasury Board Secretariat to co–operate with departments to define, assess and create other agencies over the coming year, particularly the kind of organizations which serve the public directly and whose future outlook is most promising.

[*English*]

There should be no ambiguity about the steps we are taking today: they reflect the government's continued determination to reduce the costs of government programs and administrative overhead; they reflect the need for significant changes in the way in which government operates; and they show our commitment to look for the most efficient means of delivering services to Canadians.

These expenditure reductions and other management initiatives form an essential part of the government's broader national agenda: for economic recovery for the continued reform of government.

Change is seldom easy, and significant change can be painful as well as difficult. But significant change in the way the government does business is no longer an option, it is a necessity.

Federal Public Service employees have worked hard to maintain services to Canadians over the last six years of restraint. I am confident that they are able to respond to these further changes and challenges.

Canadians will welcome changes that reduce the size and cost of government while better equipping it to provide the services that taxpayers are entitled to expect.

But the basic message should be clear: we are serious about restraint and we are serious about reform; we are determined to cut expenditures, and to organize and operate the government in a manner that suits the real needs of Canadians.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for Acadie—Bathurst, the hon. House Leader for the Official Opposition has a short point of order.

Mr. Dingwall: Mr. Speaker, while the minister is in the House with his parliamentary secretary, I wonder if the minister would check to make sure that the courtesies which have been extended to opposition parties in the past would be delivered upon today. We have an example whereby copies of the estimates are not readily available to members of the Official Opposition.

They were not distributed to our lobby as was done for the New Democratic Party. I am wondering if the minister and his parliamentary secretary would forthwith embark upon that particular mission, to make sure that that common courtesy which has been extended to us in the past is indeed provided today.

Mr. Loiselle: I do apologize. I was not aware of this and the next time I will make sure that you get the documents to which you are entitled.

Mr. Angus: Mr. Speaker, on the point of order raised by my friend, members of my caucus got the the documents. We did not receive any preferential treatment.

I would also like to ask the minister, through you, Mr. Speaker, to determine why government members were seen in the tunnel between this building and West Block carrying estimates even before the House began its sitting for the day, let alone before the minister rose in his place to table the documents. That, I think, is unacceptable.

The Acting Speaker (Mr. Paproski): I am sure the minister will check into it. Maybe it was just too heavy for the minister to carry. On the same point of order?

Mr. Dingwall: Mr. Speaker, could the minister give the House an undertaking that he will report to the House on the matter which I and my colleague for the New Democratic Party have raised? Will he report to the House by day's end as to what has happened with regard to this particular matter? It is a tradition which has been followed in this House and there seems to be a lot of confusion surrounding the delivery of those estimates in the minister's department.

Mr. Loiselle: I would like to tell the hon. gentleman that I came to the House directly from my office, getting into this House at 11 o'clock, so I did not follow very carefully what was unfolding. I am aware that vast numbers of documents were made available, that some briefings were given to members, as is customary, and that from my knowledge everything that had to be done was done, but I will certainly check on the matters that have been raised in this House today.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, before beginning to respond to the comments of the hon. minister with respect to the estimates tabled today, I would like to avail myself of the opportunity to join, I am sure, all of my colleagues and all Canadians in expressing

my profound happiness with the fact that the war in the gulf has ended. May I express, Mr. Speaker, through you, to the men and women of the Canadian Armed Forces our great appreciation for the valorous, competent and professional way in which they have conducted themselves.

Some hon. members: Hear, hear.

Mr. Young (Acadie—Bathurst): I wish to begin my very brief remarks by referring to part of the conclusion of the text of the hon. minister in which he said, and I quote:

[*Translation*]

"Canadians will welcome changes that reduce the size and cost of government while better equipping it to provide the services that taxpayers are entitled to expect".

Mr. Speaker, I wonder whether Canadians, after listening to the Budget speech made by the Minister of Finance on Tuesday and today's statements by the President of the Treasury Board, really believe they are now better equipped to pursue this country's economic development.

I think most Canadians will share my concern that in the Budget and the documents tabled with the Estimates, the Government of Canada has demonstrated its approval of the Allaire report. I fail to see why the Tory government does not state its position clearly, as so many others have done. If it wants to see this country dismantled, let it come out and say so.

• (1150)

The Allaire report has been questioned by many people. Not long ago, Canadians drew some assurance from the fact that the Prime Minister of Canada had said once again that he was a great federalist. He was, and we have to take his word for it, during the referendum in Quebec in the early 80s. But now, Mr. Speaker, all of a sudden the Government of Canada decides to introduce a number of tax measures that prove to Canadians that the federal government has no, or very little, reason to exist.

Make no mistake. If the federal government admits it no longer has any reason to exist, reflected not only in what it says but also in the measures in this Budget and the notes on how the Budget will be spent, what does this mean for Canadians who seek leadership and are asking the government to show that it wants to maintain a form of Confederation that will include Canadians from the Atlantic to the Pacific to the Arctic?

[*English*]

I and my colleagues, in the weeks and months to come will, like all Canadians, be looking very closely at the estimates and at the budget. Already there has been reaction.

It seems to me that many Canadians will be astounded that the government has chosen the budget documents to do exactly what has been rejected by federalists in the Quebec Liberal Party, such as Mr. Paradis, Mr. Ryan and many business people. The Conservative Government of Canada, at a time when the Spicer commission is looking for reasons to keep Canada together, when we are anticipating the Campeau–Bélanger report, is accepting the premise that is clearly stated in the document called the Allaire report, and I quote:

> The central government will continue to exercise exclusive authority in the following areas: Defence and territorial security; customs and tariffs, management of the common debt; currency and equalization.

That is all that is left of Canada as far as the federal government is concerned in the vision put forward in the Allaire report. That is nearly identical with the vision, if that is what one can call it, that is being put forward in the budget and in the estimates.

Surely there has to be more the Government of Canada can do in indicating its commitment to the future of this country. This is a total abdication of government. It is an admission that it has become irrelevant. I think the implications go far beyond the budget and all the talk we are hearing about what has been improved as a result of moneys being spent or how much an improvement we are going to see in control of the deficit and the debt as a result of restraint.

Those elements will all, undoubtedly, be debated. However, I would be extremely surprised if Canadians who look into this are not struck by the approach the government is taking, of abdicating its responsibility for national programs. It makes no difference what aspect of it you look at; the government has said there really is no need for a strong, central federal government looking at maintaining some national standards and equality among the peoples of this country from coast to coast.

The government recognizes, as we all do, that one war apparently has come to an end. On Tuesday and again today, the government confirms that they are declaring war on the regions of the country. They want the provinces now to go to war because it is the only way they are going to be able to survive as a result of some of the measures in the budget and the estimates. They want public servants to go to war among themselves, to fight among themselves for raises and/or jobs.

Surely Canadians expected a budget and an attitude on the part of this government that would reflect the unease that we have as to whether or not we can maintain this nation.

I suspect that the Minister of Finance and the President of the Treasury Board are going to bask in the same kind of comments as the Prime Minister did a couple of weeks ago when he made his return to federalism in speeches in Toronto and Quebec City in terms of the comments of Mr. Parizeau, the leader of the Parti Quebecois in Quebec. Mr. Parizeau thought that the Prime Minister's comments were very apropos and made no bones about stating that. I am sure we are going to hear from Mr. Parizeau and probably people who sit in the Bloc Quebecois who are going to tell us that this government has confirmed what they have been saying, that there is no need for a federal government because it no longer has any commitment to Canada, to the regions of Canada, the poor of Canada, the students of Canada or the elderly of Canada.

My colleagues, in the next few weeks, will not derive any pleasure in pointing out where the national government has abdicated its responsibilities.

We talk about trust. It is a quality that many people discuss and many people seek in others and in their institutions. It is not something that is often found these days, but my colleague from Newfoundland yesterday was quoted widely on his description of the budget.

Much of the jargon around these days is related to what has happened in the Persian Gulf. Certainly, if one were to continue in that vein—plagiarism is not always something that I get involved in—surely the prime example of what happened to this government, its lack of direction and its lack of commitment to the country could be as what some might describe as the "mother of all commitments".

This is what the Prime Minister had to say a few years ago, in 1983. The Prime Minister, then leader of the opposition of course, said: "I have said and repeated dozens of times as far as the Conservative Party is concerned, medicare is a sacred trust which we will always preserve".

I wonder if anybody in the country can be expected to have any trust in what anybody says, if that kind of a comment is weighed in the light of what has happened in this budget and what we find in the estimates with respect to how Canadians can look forward in the next year to receiving services from their government.

The vicious people in this country might suggest that one of the truisms is being proved by this budget and these estimates. The R.B. Bennett syndrome is certainly back among us. Tory times are tough times. It has often been said and there are a few people around who can remember that as an axiom.

Surely this whole notion of being tough, standing up, talking about deficit and restraint in a very dispassionate way brings back memories to those people who either lived through or who have made themselves familiar with Conservative Party policy in previous hard times.

This is the first time that the Conservative Party has had to deal with tough times in this country since the 1930s. I think the elderly in our country are going to shudder when they see the consistency in the approach that this government is using.

• (1200)

The Minister of Finance and the President of the Treasury Board today indicated that they had very limited choices, very restricted choices. There is no doubt that that is true. I think every Canadian understands that we are faced with extremely difficult choices with respect to the level of debt, the burden that that debt places on us and the resulting deficit.

Even when there are limited choices, the choices we do make should be guided by a vision. I am sorry to say, but I believe that this government has taken on a dark vision of Canada, a negative vision, a divisible vision, one lacking in any optimism. It is nearly a scorched earth policy where I suppose, at 15 per cent or so in the polls,

you say it does not matter too much so at least we will play to those few people who still support us across the country, who insist on inflicting hardship on the poor, the under-privileged, on disregarding the realities of regional disparity and so on.

There is very little to be upbeat about today. I want to speak for a moment or two because of the last year's experience that I and many Canadians had with the policies of this government with respect to interest rates, monetary policy, the value of the Canadian dollar and so forth.

The conversion on the road to recession that has been experienced by the Minister of Finance is really something to behold because to suggest that the estimates are going to be able to achieve what the Minister of Finance has suggested and what the President of Treasury Board has suggested is unbelievable, especially when you consider from whence it comes. These are the people who said that high interest rates had to be maintained, that high unemployment levels had to be allowed because that was the way to control inflation, so inflation was at 4 per cent, 5 per cent, 6 per cent, depending on which month you choose in the last year or so.

Now, after the Canadian Manufacturers' Association, the Chamber of Commerce, the National Council on Business Issues and all of these people begged the government to reduce interest rates and had those pleas ignored and refused, the rates have come down. This is the weird and wonderful world of Wilson. With the interest rates coming down, so is inflation. The projections are that if everything turns out according to the budget and the estimates, inflation is going to be reduced to 3 per cent and then 2 per cent, interest rates are going to drop to 9.5 per cent and 9 per cent. Imagine this conversion that the recession has wrought. For months and years we have had people's pleas for interest rate relief and some adjustment of the artificially high Canadian dollar downward fall on deaf ears. All of a sudden a new combination comes forward with lower interest rates, mind you continuing high unemployment and even higher unemployment, and we are going to wind up with very, very low rates of inflation.

I wonder how the people who are going bankrupt and the nearly 1.5 million people who are unemployed are going to respond to this new theory of economics being put forward by the government, the Minister of Finance and the President of Treasury Board, but most significantly, by the architect of much of this.

When interest rates are high, they are kept up there by the Governor of the Bank of Canada. When they drop, we get the royal 'we' and the Minister of Finance says we have reduced interest rates.

The interesting thing is that yesterday, as far as I know, in an unprecedented press conference, the new Crow doctrine had been put forward and that is that we can achieve lower inflation with low interest rates. It is going to be interesting in committee and so forth to find out how this new alliance was forged between the Minister of Finance and the Governor of the Bank of Canada because the formula of high interest rates and high unemployment and a high Canadian dollar led to inflation, as I said, at 4 per cent, 5 per cent, and even as high recently as 6 per cent. Now we are going to go the other way. We are going to have lower interest rates and we are going to have lower inflation.

The confusion that seems to be obvious inasmuch as no one understands what is taking place is not the result of people not being able to deal with facts. It is because we are faced with a government that has no commitment, no plan. It is not what I said or predicted yesterday that matters. It is what I am telling you today. But you have to believe that what I am predicting today will come true six months or a year from now regardless of my past track record.

The reason I spoke of conversions is that not so very long ago, because the Minister of Finance likes to relate back to the early 1980s for very obvious reasons, he, in the early 1980s had a great deal to say as well. For example, he spoke about the funding of the established programs and he said that if they decreased, it would lead to a decline in the quality of post-secondary education and an increase in bitterness and confrontation between the federal government and the provincial governments. We do not need a decline in post-secondary education said the then finance critic. We need an increase in the quality of post-secondary education. That was in November 1981.

Speaking of established programs funding, he said that the cuts could have disastrous effects on universities and on colleges and on the operations of hospitals. Let us not make hospitals, universities, and colleges a battleground between the federal government and the provincial governments. Let us not solve those problems on the backs of the hospitals and universities. This is the present Minister of Finance in the early 1980s.

Well, I think that we can probably put as much faith in what the Minister of Finance had to say on Tuesday about what is going to be happening a year from now as people generally should have put in the statements of the Minister of Finance when he was in opposition in the early 1980s.

The last point I want to make with respect to the record of the government is what they have had to say about management because that has been, from the government's point of view, its strong suit.

What is unfortunate is that that self-analysis is not shared by outside observers, even among the best friends of the government. When people look at the budget and look at the estimates, I am sure they will keep in mind with respect to management what the Canadian Manufacturers' Association had to say in December 1990. Restrictive monetary policy, large federal sales tax hikes, among others, have directly raised inflation rates and put the economy into a recession and caused large job losses.

Mike McCracken, president of Informetrica says: "The government chose to put the economy into a major recession". Well, the Canadian Manufacturers' Association, the Chamber of Commerce, the National Council on Business Issues all share the view that the government has mismanaged the affairs of this country. The unfortunate thing is that now the people will have to pay.

Hopefully, over the next few weeks and few months we will be able to demonstrate to Canadians that there are many of us who still believe in this country, who still believe in a strong central government, and that not everybody will buy the approach that this government has taken through the back door of fiscal policy and through budget processes and estimates to demonstrate what it was not able to say up front, that it supports that view of Canada where all the national government does is manage the debt, take care of national defence, and be responsible for currency.

I think the people of Canada ask and demand a great deal more than that. I expect that the Government of Canada will find that pitting provinces against the federal government, pitting public servants one against the other, will not be a very appropriate or acceptable way for it to continue to mismanage the affairs of this country.

• (1210)

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, I appreciate the opportunity, but I cannot say I am particularly happy with this opportunity, because I do not think there is anything in either this budget or in these estimates to make any Canadian happy. I could stand here, I suppose, and say amen to most of the remarks made by my friend from Acadie—Bathurst, but that would not be in the tradition of the House, so consequently I will add a few points.

First of all, I want to say that the estimates, which were tabled in the House today, were put there for the enlightenment not only of members of Parliament but also for the enlightenment of the people of Canada. They should do that. If you take a look at them, you will find they do a considerable amount of confusing rather than enlightening. For instance, there are several neat rows of figures which add up to a particular amount which are said to be the estimates of the Government of Canada. However, last year's Main Estimates which are listed there do not include any Supplementary Estimates, and consequently are incorrect for a good portion of the departments.

If you wish to compare them to the 1991-92 Main Estimates, these estimates do not include a number of commitments made, restraints in some cases and increases in other cases, in the budget just a few days ago. When you have 1991-92 Main Estimates which are also listed and which are also incorrect, these estimates do as much to confuse as they do to enlighten the people of Canada.

As I said before, we have a document with two neat rows of figures, both incorrect. Surely a government that spends as much money as it does on keeping track of funds could do better than that in providing the kind of document that would make it back to the people and to members of Parliament.

There is in this document another confusing element. That is the fact that there is a very sneaky way of reducing payments in any particular year and reducing the amount of money in a particular year. If you look at these estimates, you will find for instance that a certain amount of money is designated over five years. In the budget the other day this was extended to six years.

However, the figures in the estimates are still those of the five-year program and consequently are also incorrect. But enough about the incorrect part of these estimates.

There are a number of things in the estimates which need to be discussed. First, there is a real attempt in here, a real direction as far as the government is concerned, to move away from person years. This has been recognized as a concern in the public accounts committee and other groups in Parliament, both on the government side and on the opposition side, of recognizing some concern with the establishment of person years as a method of controlling expenditure. But what the government is doing here now is not reducing the control of expenditures by moving away from person years. What it is doing is establishing a method of privatization which is in the process, or may in the process eliminate, as it has suggested itself, as many as 6,000 jobs, which was threatened in the budget speech. This move away from person years gives the government an opportunity to move into more contracting out.

In the past, when asked, the government has been unable to justify contracting out as a method of saving money, that in fact many senior civil servants consider it more costly than in-house operations, as well as more inefficient. They say this because when somebody is contracted, you have to teach them what they are supposed to do. After the contract is through, you have to fit what they have done into your program. You as the manager in a particular department have to designate people to do that kind of work. It may take as much time as the contract took to get it back into the situation where it is worth while. In the end, you have paid more money for the operation than you would have if you had had the job done in-house.

The minister said in his speech: "Should a new agreement not be reached by the time the current policy expires March 31, 1991, the Government will introduce legislation confirming the right to contract out. This will eliminate any barriers to contracting out that may now exist".

This really is a new wrinkle in labour relations.

An hon. member: Union busting.

Mr. Hovdebo: The government is going to pass legislation to make sure that the union cannot take action because there will already be legislation in place giving it the authority to eliminate their jobs. That is another factor of contracting out I think we should look at because we know from experience that contracting out by this government has been another way of patronage to its friends. If you increase the amount of contracting out what you are able to do is pay more of your friends for their support.

There is another concern in this process of legislation and reduction of civil servants. The minister said in the budget speech the day before yesterday that there is going to be a trade-off between wages and job losses. As my colleague from Acadie—Bathurst indicated, this pits one employee against the other. It affects the morale of the departments, the morale of the Public Service considerably and it is a way of inviting labour unrest rather than making for people who will work hard and effectively for the government and for the people of Canada.

It is very interesting also that in the minister's speech he indicates that the government House leader and vice-chairman of the Treasury Board will lead the review of the current spending of grants and contributions. In other words, he will take charge of the review of the grants and contributions. That covers every department of the government. Every department contributes a certain amount to organizations that are involved in their particular area. It covers every department and it is a major factor out there of the outreach of the Canadian government to the people of Canada: heritage grants, grants to exhibitions. This is the main contact between the Government of Canada and the people on the street.

It is given to a minister who is going to review it, and he is going to take into account the government priorities.

• (1220)

He is going to improve targeting, promote self-reliance, and reduce overlap. It sounds very good, but this sounds like a way to punish those who do not agree with government policies. That is what was done the last time there was a reduction in grants and contributions. We remember the impact on newspapers, on communications from native groups. It is a way to punish the people

who do not agree with the government. Or, is it a method of providing further patronage to one's friends?

One thing that this government is obviously working toward is that in the third year of the government we need some money to expend. I can remember back in the old Liberal days when the senator from Saskatchewan, Hazen Argue, had a considerable slush fund that he used around Saskatchewan, which did not work out particularly well because they elected no members.

However, the development of a slush fund is also part of this government's approach to these estimates. For instance, there is the slush fund of $3.3 billion, which is designated as such. It is a reserve, with nothing attached to it.

Mr. Milliken: Does it say slush fund in the estimates?

Mr. Hovdebo: Not quite, but it could be; it might say slush fund if one interprets it right. It is there, but besides that there is a number of areas in which the government has funds available.

In forestry, there was a 7 per cent cut across the board, but several agreements have not been put in place. The government is going to make these agreements and then is going to have to go to this $3.3 billion slush fund to find funds to support that forestry development.

In the budget speech the minister indicated a $1.2 billion amount of money for agriculture. It does not appear in the estimates. GRIP and NISA, which people from the west and from the agricultural community will recognize, are not mentioned in the estimates. In the budget speech, $1.2 billion was set aside for agriculture but was not designated for GRIP and NISA.

Therefore, it is there as a slush fund, to buy votes, if you wish, by this government, or to buy votes for a provincial government, as we have had a certain amount of experience with in the past. In B.C., the forestry funds are leading up to the B.C. election; in Saskatchewan, the funds for agriculture from this government are leading up to an election in Saskatchewan.

Let's take a look at the impact of UI. There was a $3.1 billion saving by pulling out of UI, by Bill C-21. They have taken all this money out of the department, and they have taken it out this way: $20.7 million from labour development, $100 million out of the Canadian Jobs Strategy.

If one did not know the priorities of this government before now, one should be able to get a bit of an inkling by this. Who are they worried about? To whom is this budget directed? Whom is it supposed to help? Obviously, not the workers.

What the workers are getting is increased premiums. If they lose their jobs, they are going to get less training and generally less concern for job development across the country. When they got out of the UI operation a while ago, the Minister of Finance said that the government would cover the shortages in the UI fund.

What happened? In this budget, in this particular instance, he has increased the premiums to make up for any shortages within the fund.

Again, the workers are not being helped by this budget in any way. The cost of unemployment insurance is up 55 cents per $100 of insurable earnings. If they spend half of it on goods and services, it will be 3.5 per cent. Inflation is still up around 5 per cent. CPP payments are being increased. There is nothing in here that would indicate that we should be happy with this budget.

There is no doubt that the priorities of the government show through every area, even where it has proclaimed increases in expenditure. There has been a deliberate move to downgrade services to people. There is a total abdication of the government role of services to Canadians. The tax on medicare via reduced payments to the provinces, the tax on the unemployed by a reduction of training and services, the tax on the workers by UI premiums, GST, CPP increases, continuing inflation and wage restraints, the tax on small business with the GST and UI, and the withdrawal of training from jobs—all these are reducing the impact of government on assisting and making life more bearable for a large number of Canadians.

As need grows, the commitment of government reigns and goes where it will help the multinational corporations make more.

I hope that the committees are able to deal with these estimates. Some of them have not met for a considerable length of time. This is not a people's budget and it is confirmed by these estimates. We should not have

expected anything different, because this is not a people's government.

Some hon. members: Hear, hear.

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATION

TABLING OF TWELFTH REPORT ON ACTIVITIES OF CANADIAN SECTION OF AIPLF

Hon. Andrée Champagne (Saint-Hyacinthe—Bagot): Mr. Speaker, pursuant to Standing Order 34, I have the honour to table, in both official languages, the twelfth report on the activities of the International Assembly of French-speaking Parliamentarians.

The report refers to a meeting of the *Bureau de la Commission politique et de l'administration générale*, held in Paris from December 7 to December 9, 1990.

The purpose of this meeting was to review the way contributions are calculated.

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

* * *

[*English*]

BUSINESS OF THE HOUSE

BUDGET DEBATE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, there have been discussions, and I believe you will find consent for the following motion:

> That, notwithstanding any standing order or practice of this House, the House meet at one o'clock p.m., Monday, March 4, 1991, to resume debate on Government Order Ways and Means Proceedings No. 18, in the name of the Minister of Finance.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to

PETITIONS

GULF WAR

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, it is my honour and pleasure to present a petition, in accordance with Standing Order 36, from more than 300 people, residents of Toronto and Montreal.

They respectfully call upon Parliament to declare its absolute commitment to a peaceful resolution of the Middle East conflict, to oppose any offensive military actions against Iraq, to withdraw Canadian forces from the region, and to use our tax dollars for useful social programs such as child care, pensions, health care and education, and not for military bunkers in the Middle East.

I have another petition from over 270 persons in Toronto and other parts of Ontario, who condemn this war and Canada's involvement in an offensive military action against Iraq.

They urge our government to disengage our troops from the theatre of war and to redeploy them where possible for humanitarian and medical purposes under United Nations auspices.

• (1230)

They also urge our government to take all possible measures at the United Nations and elsewhere to bring this tragic war to an immediate end and restore peace to the region through an international peace conference on the Middle East.

Further, Mr. Speaker, I have a petition from a number of residents of many parts of Canada who point out that the overwhelming weight of informed opinion is that economic sanctions and political pressure need more time to work against Iraq.

The petition was completed in January, but of course it was not possible to introduce it before the present time. They also point out that Canada should have a vital role to play as a peacemaker in that region.

Therefore, the petitioners ask the government to use all means available to encourage UN member states to give sanctions a chance to work and to refrain from offensive military action against Iraq.

They further ask that the government not commit Canadian Armed Forces to offensive action against Iraq.

URANIUM MINING

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is my honour and privilege to rise to present two petitions signed by people from Saskatoon, St. Brieux, and Fort Qu'Appelle, Saskatchewan, and from Waterdown, Hamilton, St. Catharines, and other locations in Ontario.

These people are very concerned by the regulatory meltdown which led to the spill of 2 million litres of contaminated waste into Wollaston Lake in 1989. They are appalled that the Eagle Point mine is proceeding under the same Wollaston Lake without the proper public hearings ever being held.

Therefore, the petitioners are calling on Parliament to convene immediately a comprehensive, independent, public inquiry into uranium mining in northern Saskatchewan and northern Canada, which effectively involves aboriginal people and northerners.

They are also calling on this government to halt development of that Eagle Point mine until the proper public hearings have been held.

RURAL CANADIANS

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, I have two sets of petitions to present.

The first petition is from a group of people from Humboldt, Saskatchewan, who call on Parliament to support Canada's rural way of life by immediately implementing new economic and social policies to enable rural Canadians to work and live in their communities while still being able to provide a decent quality of life for their families.

CANADA POST

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, I have a second series of petitions from the people of Munster.

This is the second group of petitions I have had from Munster. They are pleading with the government to keep the kind of post office they have at the moment.

The petitioners humbly pray to ensure that Canada Post operated rural post office remains intact, with the permanent postmaster/postmistress and staff personnel in the town of Munster.

They so pray and ask the government to take this message to the Canada Post Corporation so that it can maintain the kind of post office they need in the town of Munster.

VIA RAIL

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure today to rise, pursuant to Standing Order 36, to present a petition from a good number of people from all over Canada: from Alberta, Saskatchewan, and British Columbia.

Although cuts have been made to VIA Rail, people are still concerned over those cuts given the thrust toward new environmental awareness and whatnot. These petitioners are concerned about the cuts that the government has made. They are calling upon Parliament to maintain VIA Rail, Canada's national network.

They are asking further that the service of VIA Rail be upgraded with new equipment, and that VIA Rail be given a sufficient budget to maintain its national mandate for passenger service.

These people, as I do, see VIA Rail as part of what is necessary in keeping Canada together as a unified and united country.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I too have a petition pursuant to Standing Order 36, and it has been certified as correct.

This petition comes from many Canadians all across Canada. Whereas the railway services carried on by VIA Rail is an essential means of transportation for many Canadians, whereas the Government of Canada has announced the cuts of $400 million over five years in its operating grants to VIA Rail, they are urging the government to maintain this essential service and to get back into the transportation of people across Canada in a more efficient and orderly manner.

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 426 could be made an Order for Return, this return would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that Question No. 426 be deemed to have been made an Order for Return.

Some hon. members: Agreed.

[*Text*]

THE ENVIRONMENT

Question No. 426—**Mr. Ferguson:**

1. What studies, research, working papers etc. and responses by author and title has the government conducted, commissioned, or funded on: (a) Ethanol (b) grain ethanol (c) ethanol as an oxygenate (d) ethanol as an automotive fuel (e) ethanol and its effects on the environment (f) ethanol and its effects on human health and other living organisms (g) ethanol and its neurological effects?

2. Is the governement aware of studies or research papers that have been conducted by the private sector or educational institutions in Canada or abroad on any of the subjects listed above, and if so, what are they, by author and title?

Return tabled.

* * *

[*English*]

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Questions Nos. 443 and 444.

Due to the length of these responses, I ask that they be printed in *Hansard* as read.

[*Text*]

STORING WASTE FROM NUCLEAR FUELS

*Question No. 443—**Mr. Saint-Julien:**

Since 1977, have Atomic Energy of Canada and Environment Canada had Canadian universities and/or other academic institutions carry out studies, research or visits north of the 49th parallel in Quebec, for the purpose of storing waste from nuclear fuels, and, if so, and for each organization (a) how many studies have been undertaken (b) what are the titles of the studies (c) how many visits were made (d) what areas were visited e) by how many Canadian universities and academic institutions (f) which ones?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Insofar as Environment Canada is concerned:

No Canadian universities and/or other academic institutions have carried out studies, research, or visits north of the 49th parallel in Quebec since 1977, at Environment Canada's request, for the purpose of storing waste from nuclear fuels.

Insofar as Atomic Energy of Canada Limited is concerned:

No, AECL has not had Canadian universities and/or academic institutions carry out studies, research or visits north of the 49th parallel in Quebec for the purpose of storing waste from nuclear fuels.

However, following the inception of a study by researchers at the University of Waterloo under NSERC (Natural Sciences and Engineering Research Council of Canada) funding on the subject of saline groundwaters originating from the Canadian Shield, AECL contributed funding to the University for the collection of water samples from five operating mines for geochemical analysis. The information obtained through these samplings would allow a greater understanding of the geochemical characteristics of deep groundwaters from the entire Canadian Shield and, as such, would be useful, in generic terms, to the Canadian Nuclear Waste Management Program. The dates and locations of samplings taken by the University of Waterloo are as follows:

Location	Date Sampled
Sigma Mines Val d'Or, Quebec	June, 1984
Lamaque-Teck Corp. Val d'Or, Quebec	June, 1984
Selbaire Mines Joutel, Quebec	August, 1985
Matagami Mine Matagami, Quebec	February, 1985 July, 1985
Norita Mine Matagami, Quebec	February, 1985 July, 1985

STORING WASTE FROM NUCLEAR FUELS

*Question No. 444—**Mr. Saint-Julien:***

Since 1977, have Energy Mines and Resources, Atomic Energy of Canada or Environment Canada carried out studies, research or visits north of the 49th parallel in Quebec, for the purpose of storing waste from nuclear fuels, and, if so, and for each Department (a) how many studies have been undertaken (b) what are the titles of the studies (c) how many visits were made (d) what areas were visited?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): I am informed by the Departments of Energy, Mines and Resources and Environment and the Atomic Energy of Canada as follows:

No studies, research or visits north of the 49th parallel in Quebec, for the purpose of storing waste from nuclear fuels, have taken place since 1977.

For more information, see reply to question No. 443 answered this day.

[*English*]

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

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Before I call Orders of the Day, I believe the hon. Speaker will listen to a point of privilege.

* * *

PRIVILEGE

STANDING COMMITTEE ON JUSTICE AND THE SOLICITOR GENERAL

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, given that I had begun to address the matter earlier today, I will not belabour the items that I raised at that time. I will continue roughly where I left off.

I would point out that following discussions with colleagues opposite I will delete from my remarks a number of factual items that perhaps, while relevant, may be seen by some to be collateral and not directly on a point in making a *prima facie* case.

I want first to refer the Chair—and I am sure I have no need to do it in detail—to precisely what we mean here when we are talking about privilege. I will make a number of references. I will not read all the materials, but I will cite them.

The first item would be the definition of privilege which has been read in this House many times and cited. I would just refer to two parts of it: that is that the privilege is the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament, and the last portion which states:

> —privilege, though part of the law of the land, is to a certain extent an exemption from the ordinary law.

I will refer to that later. That citation is from Beauchesne's and is also contained in the current document called *Privilege in the Modern Context* published by the House.

The second item I want to refer to is the particular right as one of the rights and privileges that I address here. That specific right is the right to institute inquiries, call witnesses and demand papers. That is a collective right of Parliament and its committees. That right is listed as one of a number of rights also at page 2 of the document *Privilege in the Modern Context*.

The particular right breached is the right to obtain information through committee orders. I note a second citation in Erskine May, page 69, twentieth edition, where he states that:

> When any of these rights and immunities is disregarded or attacked, the offence is called a breach of privilege—

I maintain that the failure or inability of the minister, in a manner that I will refer to later, is a disregard of that right.

• (1240)

I would also refer to section 18 of the Constitution Act 1867 which codifies, generally, the rights and privileges of Parliament as we knew them in 1867, Sections 5 and 6 of the Parliament of Canada Act which restates them, and section 108 of the Standing Orders which provides the existing codification of the mandate of the House and its committees. I will not read them into the record.

I would point out that in all of these there are no restrictions on the right of Parliament in committees to obtain information other than the limiting subsection referred to in the Parliament of Canada Act and the

Constitution which confines those rights and privileges to those existing in 1867 and it is not to go beyond those.

I had hoped to cite a reference—it will take up too much of the House's time given my earlier discussions—of an unfortunate individual in the British Parliament named Mr. Lee who, in the year—roughly 1704—had failed to comply with an order of a committee and was taken into custody by the Sergeant-at-Arms and brought to the House. I will resist the anecdotal recital of that, as amusing as it might be.

My obligation here is to show you a prima facie case that the right and privilege has been breached. The standard I must achieve is not that of beyond a balance of probability, nor is it beyond a reasonable doubt, it is simply a *prima facie* case and there may, in fact, be justification, as will be put forward as I hope the procedure will evolve here.

The facts on which the claim is based originated in June of 1987 when an inmate of the Edmonton Institution escaped. Following that, the Commissioner of Corrections commissioned a report pursuant to section 14 of the Penitentiaries Act. In December 1989, the report was tendered to the Corrections Commissioner and the report was made public. However, there were portions of the report deleted. There were deletions of pages and paragraphs and two of the conclusions and recommendations in that report were deleted.

In May 1990, the Standing Committee for Justice and the Solicitor General were reviewing the mandatory supervision provisions of the Parole Act and asked for an unexpurgated copy of that report, which has become known as the Weir report. At the same time, the committee asked for an unexpurgated copy of what has become known as the Légère report, a report which dealt with an escape of an inmate in New Brunswick.

In our request for these documents, the committee was unsuccessful. On December 4, in the face of the refusal or inability of the Solicitor General to provide the requested unexpurgated version, the committee formally ordered that the Solicitor General provide this report. I believe I should read that particular order into the record at this time. It reads:

> That pursuant to the Committee's own mandate, the Committee order the production before it of the uncensored version of the reports to Correctional Service Canada by one, Mr. Weir, governing the escape of Daniel Gingras in the province of Alberta and, two, by the Board of Investigations concerning an offender (Allan Légère) unlawfully at large in the Province of New Brunswick, pursuant to—

And here we have the recital of the statutes I had earlier brought to your attention.

> —and that the documents be delivered within seven days of the date of this order.

The Solicitor General was not able to comply.

I have with me, and it may be appropriate to table, the written reply of the Solicitor General to the order of the committee. He states that he has carefully reviewed the motion and the request for copies in each case without deletions. He recites a section of the Privacy Act and states:

> With regret, I must conclude that the public interest does not outweigh the invasion of privacy which would result from a release of the unedited copies of these reports.

In the case of both reports the conclusions, the reasons, and most of the supporting testimony have already been made public.

Mr. Speaker: I ask the courtesy of the hon. member to let me intervene for a moment on another matter.

I would like to make it very clear that in the mind of the Chair, we are in Government Orders. That will have some consequences, perhaps, at one o'clock and I just want to make that very clear to the House. Would the hon. member please continue.

Mr. Lee: Mr. Speaker, following that reply of the Solicitor General the committee reported to the House of Commons with the seventh report of the committee.

I wish to match those facts with the law stated earlier. In the face of that clear order of the committee which was properly and effectively delivered to the Solicitor General, and in the face of clearly defined rights and privileges of the House, often referred to as the undoubted rights and privileges, the Solicitor General has declined to comply with that order, contrary to the will and wishes of that committee.

Now the Solicitor General has stated that he is prevented from complying because of provisions of the Privacy Act.

The House has therefore been blocked in the completing and the carrying out of its work. We in the committee, collectively and individually, are being denied the information we need as legislators to do our job.

The matter has been discussed with the Privacy Commissioner and I feel that the Privacy Commissioner as he then was, Mr. John Grace, should be noted here because he has commented and on May 24, 1990, a very short quote in a reply to a question from our colleague, Mr. Rideout, Mr. Grace says: "And if a legislator cannot see it, my goodness, who is seeing it?"

That is cited from the minutes of the justice and solicitor general committee on May 24, 1990.

I will not review the provisions of the Privacy Act. I do not believe they are necessary to the making of the case here, but I will refer to one thing and that is this: Although I am of the firm view that the Privacy Act does not derogate from the rights and privileges of Parliament, some may argue that it does. I have heard the argument and I believe, although I will not attempt to characterize what the Solicitor General's view is on this, that he is attempting to confront the issue reasonably. In any event if someone were to suggest that the Privacy Act did, I want to point out to you, Mr. Speaker, that the Privacy Act does not mention Parliament in any of its rights and privileges, and it does not attempt to bind Parliament in the restrictions that it places as part of the general law of the land.

It does however place restrictions; actually it gives rights to certain groups and institutions as courts and investigators. They are specifically given rights to override the restrictions of the Privacy Act. Parliament is not referred to in the act other than a reference to the right or ability of a member of Parliament to obtain personal information where he or she is acting on behalf of a constituent.

• (1250)

I want to refer you, Mr. Speaker, to the element I raised earlier in the definition of privilege and the section which states that privilege, though part of the law of the land, is to a certain extent an exemption from the ordinary law. I commend to you that concept in viewing the effect of the application of the Privacy Act in this.

This is not a partisan approach to this issue. Although many Canadians see the House of Commons from time to time being very partisan, this is apparently not. The committee was unanimous in its order and there have been a number of discussions between members on this side and members opposite in connection with this. All parties have participated in good faith in those discussions.

It is my view that this motion I make to you today is an assertion of the rights of everyone who put us here in this Parliament.

There are three other quick points I would like to leave with you because I believe they are relevant and will assist you in reaching your decision.

If the committees, as now structured, do fail in their ability to obtain information in the manner that has transpired here, then the committees will fail in doing their work. If the justice committee fails, then other committees will also similarly come up short.

Second, if this is a contest between the rights and privileges of Parliament and the obligations of members of the government—that would be ministers in this House, or let us simply speak of the executive branch of government—if it is a conflict between the rights and privileges of Parliament and the executive branch of government then you, respectfully, Mr. Speaker, have a duty—and I know you understand this—to uphold the rights, privileges and powers of Parliament in the face of that.

Third, if you do find that there has been a prima facie case made that the collective rights and privileges of members of this House have been breached in this instance on the facts of this case, then I am prepared to move to an appropriate motion. However, I would ask that the Chair allow 24 hours, a day, that would permit me and others, including the chair of the justice committee to consult with the House leaders, the committee chairs, and the Solicitor General in constructing a motion that would serve the needs of Parliament and all of the members of the House.

Mr. Speaker, unless you wish me to, I will not address the conceptual issue of the difference between a procedural motion for concurrence and the privilege claim that I make here today. If you wish me to, I could do it very shortly, and it might assist.

Mr. Speaker: First of all, I want to say to hon. members, and also to the public, this is one of the finest arguments that has been presented to me in my years as Speaker.

I want to say to all hon. members on both sides of the House that I am very aware that this matter is being brought to me after a great deal of co-operative discussion among many members.

I accept very much the invitation of the hon. member to get into a further stage of the discussion. However, if I am reading correctly the hon. member's remarks, it is not necessary at this time. I would ask the hon. member perhaps to conclude and I will then hear the parliamentary secretary.

Mr. Lee: Mr. Speaker, it would only be necessary for me to address this in the event that you felt there was a conflict between that procedure and the privilege procedure. If I might, for the sake of the 30 seconds it might take, I think I will address that.

There was some thought among members and staff here—

Mr. Speaker: I cannot help but intervene by saying that if we get to that point, I will certainly give you more than 30 seconds.

Mr. Lee: Well then, I will pass on that in the hope that if further argument is required, I will have an opportunity to address that.

To conclude very briefly, the order of the justice committee on December 4 was a valid, subsisting, uncomplied with order. The order materialized or crystallized a right of all members of this House: a right to obtain information, a right to require production of papers. The right to require that, to achieve that objective, has been breached by the failure of the Solicitor General of Canada to provide the information that was clearly, specifically outlined in the order.

The failure to do it in the way that was cited earlier in the quotation from Erskine May, and I will just note it very quickly: "That when any of these rights and immunities is disregarded or attacked the offence is called a breach of privilege and it punishable—" *et cetera*. We are not into punishment here. We want to resolve a conflict.

In my view it is clear that the right is there, the privilege is there. The breach occurred, it is unrectified and that you, Mr. Speaker, must find that there has been a breach of privilege, and if I may use the term, collective privilege because it is not my privilege alone, it is the privilege of every member on that committee. That has been breached and the House must deal with that breach.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I too want to add to your compliments to the hon. member for Scarborough—Rouge River on a very, very thoughtful and well-done argument.

I have had the privilege over the last 11 years of participating in several points of privilege and order. I have to say that the hon. member has made one of the best and more thoughtful arguments that I have heard in some time. I do want to compliment him on that.

Having just said that, I do also want to say that I do not agree with him. He has made a good case but I do not think, in this particular case, that he does have a point of privilege.

I want to come back to that in a couple of moments. But I want to address what I think is the issue here. We really have two conflicting issues that put the House, the committee and the members of this House and I guess to a certain degree the Chair as a result of this point of privilege, in a difficult spot.

The conflict is this. First of all, we have a committee pursuing a subject in which the committee has a great deal of interest. They have pursued it with diligence. They have done a lot of work on the issue. They have come up with a report, or I will describe it as a report, an order in the end, and that is what this House is then seized with.

None of us in this House argue with that process. In fact, we consider that a fundamental part of our parliamentary procedures and therefore, we want to support that tradition, we want to encourage that tradition. We do not want in any way, if possible, to limit the powers of committees. We see them as absolutely fundamental to our process of government and to democracy, as we see it, in this country. That is the first part of this issue.

The second part of the issue, and the one that causes us the difficulty, is that this particular committee has made a request of a minister for a document. Unfortunately, the minister is faced with a difficulty in complying. I think the hon. member for Scarborough—Rouge River put the right tone on that when he indicated that it was for the minister a difficulty. It was not as though he

was trying to be obstructive or difficult with the committee. In fact, all of the signals I have received is that he would like to comply but he is in a difficult situation.

• (1300)

What is that difficult situation? The difficulty is that he has legal advice—which is an interpretation coming out of the Privacy Act—that in fact if he were to respond to this particular request of the committee, he would be in violation of the law and of the Privacy Act.

Of course, any time there is legal argument, there are always two sides, or we would not have a court case; we would simply throw it out of court and it would be decided there.

But in this case, I think we all agree that we are up against legal advice, which certainly appears to be sound legal advice, legal advice which may be debatable but nevertheless is advice that I think all of us would argue has the right to at least have a hearing. It is sufficiently strong advice that it cannot be ignored.

That is the conflict we are faced with. We are faced with a situation where all of us want to see the committee succeed in its work, and support the concepts of committees having the right to information, the right to pursue a subject unfettered. At the same time we then have another principle which we support, that being that we, as parliamentarians, whether we are backbenchers or ministers of the Crown, are not above the law. We have to comply with the law.

I do not agree that the member has a point of privilege. I do not think I have to go into a lot of argument about that, because most of us would agree that in fact he does not have a point of privilege. He certainly has a point of order, and he has a point of grievance or concern, which I think he has demonstrated and argued very well in the House. But he does not have a point of privilege.

As you know, when there is a concern arising out of a committee, there is a fixed process according to our Standing Orders—Standing Order 117 being the one that I think is operative—that prescribes for the committee a particular process by which this House is seized with the issue.

So, Mr. Speaker, I do not believe he has a prima facie case of privilege. As I said, he makes a very valid argument, one that I think is fundamental to those of us as members specifically, to those of us as members generally, and certainly to the House and its traditions.

I would therefore put before you what I think would be a reasonable suggestion, one that I hope the hon. member will accept and I think other members of the House will accept; that is, that we refer the issue of the committee's right to pursue information—and the concern that the minister has, were he to comply with the request of the committee—to our Standing Committee on Privileges and Elections and Procedures, and that that committee have an opportunity to examine the issue, to report back to this House, and to then not only pursue an issue that is of great philosophical importance to us but also of practical purpose in this particular circumstance.

Therefore, I think that would provide for the House a resolution to a difficult conflict. That having failed, we have no choice. What do we as a House have left to us? We are then faced with a concurrence motion. Of course that puts all members of this House in a very difficult position of how one would vote on a concurrence motion, because we are up against two concepts, two principles, two fundamental values that we see as being important. I think it puts the members and the House in a very uncomfortable and awkward position.

I think the best way to handle it, therefore, would be to refer the issue that my friend from Scarborough—Rouge River raised—and as I said earlier, raised very well—to the Standing Committee on Privileges and Elections. That would give us an opportunity to pursue it, to have a look at it, and to give some advice to this House.

Mr. Speaker: We are witnessing today some extraordinarily thoughtful and good arguments. I thank the hon. parliamentary secretary.

I notice that there are others who wish to rise. I will recognize now the hon. member for Edmonton East.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I rise briefly to bring to the Speaker's attention a couple of matters of which he may not be aware.

I was not able to hear the argument of the hon. member who raised the point in its entirety but rather

only the end of it. That reference was made to Beauchesne's citation No. 625 on page 198 of the fifth edition where it is noted:

> (1) Committees may send for any papers that are relevant to their Orders of Reference.

Further, I assume, reference was made to citation No. 626(1) on page 199, where the only stated condition on that is noted and it would seem, in my submission at least, not to be pertinent here.

I was a bit surprised to hear the hon. member opposite who just spoke refer to Standing Order 117, which is a Standing Order governing the maintenance of decorum in committees. I do not know that that is directly pertinent in this instance.

However, the other matter that I would wish to bring to the Speaker's attention is that the document over which this is all being carried on has in some senses already been made public. That was done in the edition of the *Edmonton Journal* of Saturday, January 6, 1990, in which excerpts from the so-called Weir report were published including sections of that report which were expurgated in the copies of the report forwarded by the minister to the standing committee. I do not know that that will bear directly on the Speaker's decision in this regard, but I would note that that being the case, it leaves members in the awkward situation, especially members of the committee—and I would note, Mr. Speaker, that I was present and voting at the committee on the day the unanimous decision to seek the unexpurgated report was made—of having to rely on reports in a newspaper for the full story of what I think by any reasonable person must be seen as the legitimate contention that the committee ought to have available to itself in the normal conduct of its work.

That that continues not to be the case is I would suggest correctly identified by the member who raised the matter as a matter of privilege.

I sympathize with the Solicitor General in his difficulties, at least his apparent difficulties, under the Privacy Act—

Mr. Speaker: I am going to certainly allow the hon. member for Edmonton East to continue. In the interest of making sure that all hon. members know some of the background of this, it was my understanding, and I stand to be corrected, if necessary, that whatever appeared in the press was not done so as a consequence of the minister releasing any information. Would the hon. member affirm that, if that is the case, because I think that is very important in this matter.

Mr. Harvey (Edmonton East): Mr. Speaker, to the very best of my knowledge that is in fact the case. The reporter who authored the story that included the excerpts from the report never did identify the source through which he received a copy of that report, but I feel safe in assuming it was not the minister, for some fairly obvious reasons.

Mr. Speaker: The reason I intervene on that point is that if a minister had revealed information at one point and then took a position later to not give the information to a committee, it might make quite a difference to the position of the Chair in having to rule on the circumstances. I thank the hon. member for clarifying that particular matter.

Mr. Harvey (Edmonton East): Of course, were that the case, the matter would be much clearer than unfortunately it is.

I would just like to note that I cannot believe that it was the intention of Parliament in establishing the acts and regulations under which the Privacy Commissioner pursues his or her duties thereby to constrict in any way the privileges enjoyed by this Parliament. Therefore, in this instance, even if it is established that there is a conflict, I would suggest that as the servant of this House, Mr. Speaker, you must in defending the rights and privileges of this House rule that privilege holds sway in this instance.

Mr. Speaker: The hon. member for Kingston and the Islands, perhaps the hon. member could help the Chair.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I just wanted to make a very brief intervention which is really consequent on the excellent one by the hon. member for Scarborough—Rouge River in presenting his case. I wanted to comment on the parliamentary secretary for his very thoughtful remarks, but I had a couple of comments on them and there are two aspects that surprised me and I thought in dealing with your Honour's decision on this matter you might want to consider this point.

• (1310)

It surprised me that the hon. parliamentary secretary argued that the question of the propriety of the minister delivering the report was an issue. It seems to me that the committees of this House and the House itself have certain powers of a court and courts clearly have jurisdiction in respect to the Privacy Act to receive documents that may be otherwise protected under that act and determine whether the documents in fact should be made public.

It seems to me that a committee of this House must have similar powers. It was, after all, a statute passed by this House that created this act. Parliament has the residual powers of a court for certain purposes. It has power to examine witnesses and call for production of papers and those powers have been an inherent jurisdiction of this House and of its committees from time immemorial. It is one of the privileges of the House to be able to exercise that jurisdiction, in effect the jurisdiction of a court.

The committees of the House are creatures of the House and have similar powers, and I am surprised to hear the parliamentary secretary arguing otherwise. I leave it at that.

The second aspect of his remarks which I think deserves comment was his suggestion that the issue of the propriety of the minister complying with the committee's request be referred to another committee.

Certainly as a member of the privileges and elections committee I would be more than happy to embark on such a study because it seems to me that it is an interesting point if, in fact, he is right on his first one, that somehow the committee lacks jurisdiction to make the determination that a court could make.

If he would like the issue studied, it could be studied there or by the committee that has already done so much work on this issue in dealing with this matter, and I am happy to support that part of the suggestion if your Honour feels it is necessary. But my argument is that I do not believe it is necessary for the minister to be concerned about the propriety of him making the release to a parliamentary committee.

Similarly, he should not be concerned and I am sure he would not be if he were releasing this document to a court of law at the order of the court. I do not know why the request of a parliamentary committee should be treated any differently than the order of a court, and I am surprised to hear the parliamentary secretary suggest otherwise.

I invite your Honour to look at the origins of parliamentary privilege, to look at the juridical basis for them and the similarity between the privileges of Parliament and the inherent jurisdiction of a Superior Court and determine whether that jurisdiction exists. I think it follows that this document should be produced.

Mr. Speaker: I began by complimenting the hon. member for Scarborough—Rouge River and thanked the parliamentary secretary for his thoughtful contribution. I extend the same compliments to the hon. member for Edmonton East and the hon. member for Kingston and the Islands.

I think a suggestion has been made which I would like to ask the House if it would be prepared to concur in, a suggestion made by the parliamentary secretary that the matter be referred to the committee of privileges and elections.

It would seem that this might be an appropriate way to resolve this without putting the Speaker in a position where I have to rule on what is clearly a very difficult case. If I were to decide that there were a *prima facie* case on the basis of the eloquent arguments of the hon. member for Scarborough—Rouge River, that is if the House supported my notion that there was a *prima facie* case, it would go to that committee.

We have a suggestion in front of us, and it seems to me very sensible, from the hon. parliamentary secretary from the government side that if there were a disposition of the House to put it in front of that committee that we allow it to go there. In a moment I am going to ask the House if the House will agree to that.

I want to make it very clear that this is a very difficult issue indeed. The subject matter is the release of a person in custody who, during that time of release, overpowered a guard and committed another crime; a matter that strikes right to the fundamentals of our system of justice.

This is a matter of very intense importance. On the other hand, as the parliamentary secretary has pointed out, the Solicitor General is in a dilemma because of an act of this House.

As Speaker, I am not in a position to rule on the interpretation of an act of this House. I am confined to the question of privilege.

The hon. member for Shefford has just joined us, and I hope that he has been able to have been following this difficult, but I think intensely important, matter. He is a member of the House with many years standing, and he might very well want to discuss with his colleagues the general suggestion made by the parliamentary secretary.

If the hon. member for Shefford would like any more time, I would of course extend that to him. He indicates to me that that is not necessary.

I think the appropriate thing to do at the moment is to put to the House the suggestion of the parliamentary secretary which seems to the Chair to be a very sensible one and that this matter be moved by unanimous consent to the appropriate committee.

Is that agreed?

Mrs. Campbell (South West Nova): Is there any discussion on the proposed motion?

Mr. Speaker: It is not a motion. I am asking for consent to proceed to put this matter to the committee. It was suggested by the parliamentary secretary. I happen to know there have been discussions that preceded this in the best tradition of this place.

It is not a question of debate. I have to put the recommendation to the House. If there is a question of clarification, then I would, of course, want to hear it.

Mrs. Coline Campbell (South West Nova): On that point of clarification, Mr. Speaker, I do not see the difference between whether it goes to the member's committee or the existing committee because I think you are taking away powers of the committee.

The reason I say that is that it could go *in camera* and discuss any document with the idea that it would not go outside of that. I have seen it done when there were international negotiations and when there are other things. It goes into *in camera* without press, without anything, just for the information of the members of the committee.

As you take away more and more powers of a member of Parliament—I say this in all honesty because for the first time in my life, I had to send five dollars to get access to information because I wanted it within a month and not within a year from the date of the letter.

As our rights here become more and more infringed upon by some ministers who will not answer letters for a year or six months, I feel that Canadians have a right, through their elected representatives, to have access, at least in committee if the committees are meeting, to the business before that committee.

Second, it was in the press, so outside people had access to it that members of Parliament do not have. I just think that if the committee itself is not going to be able to deal with this *in camera* then I am sure that we can debate it forever before another committee or with a time limit.

It will just cut back on some of our rights as members of Parliament because majorities are in these committees. You, Mr. Speaker, have a right to guard all members of Parliament's access.

I think that whatever happens out of this, we will be watching to see how much the rights of members of Parliament will be infringed upon in access to information.

Mr. Speaker: I thank the hon. member for South West Nova for her intervention. She is a member who has been here for many years, and I cannot quarrel with much of her thesis.

• (1320)

What we are dealing with here is a very difficult situation. The minister has received advice as a consequence of an act of this House. If that advice is correct, he is put in the position where he says, by law, he cannot give this information. This is the kind of dilemma that ought to be deliberated upon by a committee of this House, because out of that deliberation may come a solution to the problem.

But clearly there is a dilemma. There is no difference of opinion in the Chamber as to the necessity to resolve this dilemma, and there has been the clearest understanding on both sides of just what it is we are facing.

The suggestion has been made, and I sense agreement in the House. Having taken into account the remarks which the member for South West Nova has made, with which I cannot quarrel, what we now have is an opportunity, by consent, to put this matter in the committee that it would go to if it were debated and voted upon in the House, in any event.

It seems to me a very sensible way to try to deal with what is a very difficult problem and a matter, by the way, which the public is very much aware of.

Mr. Bill Domm (Peterborough): Mr. Speaker, I appreciate the opportunity to ask this question on clarification.

If we agreed unanimously, Mr. Speaker, to your suggestion, which I think has has a lot of merit in one respect, that we would end up there anyway, as you said. But what happens if in the next two or three weeks we prorogue and the committees are disbanded? The justice committee has worked on this issue since 1988. We have had endless witnesses on it, as late as last week again. What happens in this committee that we are referring it to if prorogation occurs in the next month?

Mr. Speaker: I was going to answer immediately, but I thought that under the circumstances it would be best if I asked for some counsel on this.

I think it is very clear that the matter would, for all practical purposes, die if the House prorogues, if the government should prorogue the House. But that is going to happen whether I put to the House that there is a *prima facie* case of privilege and the House supports that. It will happen, in any event.

Just to be absolutely certain that we all understand what we are doing, that of course does not mean that the matter cannot be raised again when the House comes back into session. Of course it can. The issue does not go away. The proceedings are nullified because they were in the last session, but it can all be raised again; it can be brought right back to me the day that the government decides to bring the House back, if it prorogues, with a throne speech.

If the House accepts the suggestion of the parliamentary secretary today, which seems to the Chair very sensible, that at least is a recognition we have a problem which all members realize is very serious, and on an issue of great seriousness. It puts it exactly into the committee which it would get to if I were required to make a ruling.

I will hear the hon. parliamentary secretary and then I will come to the hon. member for Mississauga West.

Mr. Cooper: Mr. Speaker, I want to clarify very quickly a point that was made earlier.

Citation 625 of Beauchesne's fifth edition refers to the whole question of the power of committees to summon witnesses, papers, and so on. Citation 625(2) states:

> (2) The procedure for obtaining papers is for the committee to adopt a motion ordering the required person or organization to produce them.

That has been done. There is no dispute over that. It continues:

> If this Order is not complied with, the committee may report the matter to the House, stating their difficulties in obtaining the requested documents. It is then for the House to decide what action is to be taken.

That to me is the nub of this whole argument. That is why I feel is so essential that we come to an understanding, because if we do not come to an understanding we are faced with a very difficult dilemma.

What do we do? Do we vote to ask a member of this House, a member of the cabinet, to comply with the committee request which advice says he may be breaking the law to do so? That is the nub of the question. That is why it is so difficult for members of this House to make a decision on that.

I do not think it is wise for this House to divide on that particular issue, because I think if it divides we lose both ways. If we make the reference to the committee, then I think we have an opportunity to explore this very difficult problem to make some recommendations as to how we handle those situations should they arise again and I think we then resolve the problem. But if we do not do that, we then are faced with a very serious conflict of ideas, of law and of interpretation of law. That is why I put forward the suggestion that I did, because it is only the House that can decide this issue.

If we do what I have recommended it takes the House out of a very difficult dilemma, and by that I mean members of the House.

Mr. Bob Horner (Mississauga West): Mr. Speaker, as chairman of the standing committee out of which this problem arose, I want to point out that I did follow the procedures outlined by the parliamentary secretary in Beauchesne's. I did report to the House and that unanimous consent to have the House look at the motion was refused.

However, I think it is a reasonable proposition that the parliamentary secretary has put forward. There are always rumours of prorogation and the possibility of prorogation. Well, that is fine. If there is to be prorogation, we know it can be lost and, as you rightly say, Mr. Speaker, the issue does not die; the issue can be taken up again.

However, before I give unanimous consent, does the Speaker of the House have the right to ask that committee to move expeditiously, or does it have the right to put time limits on the committee to look into this?

Mr. Speaker: I will try to respond to the hon. member. The Speaker is the servant of the House. As hon. members know, it is not the Speaker's place for the most part to interpret what goes on in committees and, second, certainly not to tell committees what to do.

However, there is a sort of rule of general common sense that applies even here despite what others may say. This discussion is taking place in the most public of arenas. I can only say that I would hope the committee meets very rapidly and gets on with it.

In that spirit and picking up a cue again from the parliamentary secretary, I think the hon. member who has raised this matter, after consultation with his colleagues, would perhaps like a moment or two to wrap up, and then I am going to put the question to the House.

Mr. Lee (Scarborough—Rouge River): Mr. Speaker, I am of the view—and I am sure all members are of the view—that what we are dealing with here to some extent may break some new ground. I realize and have some sympathy for the position of the Speaker in single-handedly having to take on this issue framed in privilege. I would like nothing better than to offer, along with colleagues in the House, a mechanism that would lift some of the burdens we have here in dealing with this issue.

I fear being toyed with by procedure; not by people, but the procedures that I have experienced over my last couple of years here I find to be a little unwieldy from time to time. If we were not to deal with the issue of whether or not this is technically a breach of privilege, if we were to accept that there is a problem and to put it to a committee, I am of the view that we should do that only on terms which would make it very clear to whichever committee dealt with it that the issue had to be resolved on certain terms. To send it to a committee without terms might, given the way things often evolve here, simply consign the issue to a committee report and the House may never have a chance to deal with it until another issue of a similar type arises.

• (1330)

I would like to suggest to the Speaker that from my point of view as a member who has raised an issue, I would find it acceptable. I would take no umbrage if the Speaker deferred going through the process of making a decision for another day and permitted members on all sides of the House to confer on the framing of an order that would accomplish the goals of the justice committee and hopefully the needs of all members of the House and in the end possibly obviate the need to deal with the technical issue of whether or not this is a breach of privilege.

Mr. Speaker: It is not often that the House gets so close to making up its mind about something and then lets it slip away. I do not know whether to call on the hon. parliamentary secretary, but I am in a position where I know very extensive discussions have taken place.

I am in the hands of the House, and yet it seems to me that the attempt here has been to put this in a committee of this place, which is exactly where it would go if I were to rule that there was a prima facie case of privilege. The committee, of course, could decide whether it is privilege. The committee could decide how ministers are to deal with things which are apparently contradictory between a law that has been passed by this House and the ancient laws and traditions of this place. Sooner or later somebody is going to have to look at this. We have right at our fingertips the opportunity to do so at this point.

I can only say that the whole approach that has been taken up until now seems to make a lot of sense and would be a very great help to the Speaker, because what comes out of that committee would be a very great help to the Speaker in subsequent cases.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I came in late on the debate, but I just wanted to offer any assurances to the hon. member who raised this point of privilege that this is viewed, in the government's perspective, as a genuine dilemma for which guidance and so on is sought and on which we need to have the kind of discussion and evaluation that the committee could ascribe to it.

Leaving it just a question of privilege, because of the adversarial nature of the House and the nature of the direction, puts the government in an awkward position. We might, quite frankly, argue that nothing the minister has done has breached any privileges and so on. We would be forced to in that sense. I think that would be too limiting. I think that would be inappropriate.

If there is concern, as I understood, about prorogation and what effect that might have, you certainly have my assurances in regard to that whatever order of the House is necessary to carry this on through any prorogation and to pick it up after prorogation. You have my assurances of full co-operation in that regard. There is no attempt here to put it aside or into a closet, but rather some attempt to address this fundamental problem that the Solicitor General has at this time. One does not have to be too imaginative to hypothesize many of these kinds of dilemmas. If we can make progress and resolve it, I think we are serving the interests of the House. I give my assurance of full co-operation.

Mr. Speaker: I know that this might lead to some sense that members need to speak further. I think it is appropriate for the Chair, though, to say that the matter has been not only very well debated following the splendid lead of the hon. member for Scarborough—Rouge River, but very fully debated.

Perhaps I can say this. I have been a member of this House since 1972. I have never seen a very serious issue so close to being resolved by agreement as I see it in front of me now. That does not mean that what comes out of the committee will necessarily satisfy everybody, but what it does mean is that we have a committee of this House dealing with what is essentially an extraordinarily difficult issue and an issue which, by the way, was not even dreamed about several hundred years ago at Westminster.

Is the House in agreement?

Some hon. members: Agreed.

Mr. Speaker: I thank hon. members. I know that hon. members will allow me to say again that I thank very much the hon. member for Scarborough—Rouge River for not only the excellent position that he took, the excellent address, but the manner in which he brought this matter to the House. I extend that compliment to all members who have taken part in this. This is one of the better moments in our long history. Thank you.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Wednesday, February 27, consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government; the amendment of Mr. Gray (Windsor West) (p. 17722); and the amendment to the amendment of Mr. Langdon (p. 17725).

The Acting Speaker (Mr. Paproski): The hon. member for Etobicoke North had 10 minutes left in his questions and comments. The hon. assistant whip on a question or comment.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I want to congratulate my colleague for an excellent speech. It was very good. It is clear from his speech that this budget is long on optimistic forecast but very short on policies that would produce these desired results.

What did this government fail to accomplish over the last six and a half years in the face of what is happening now with this recession and these economic difficulties? What alternatives could it follow in order to help our economy rebound?

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, I thank the hon. member for her excellent question.

The real point about the budget is not what the government has done; indeed, the budget itself relies almost entirely on statistical smoke and mirrors. What the government has failed to do over the past seven years, as the member has noted, instead of undertaking the kind of economic restructuring so frequently promised, the government has relied on *ad hoc* cuts which have only served to whittle away the existing apparatus.

Instead of addressing the root causes of inflation in the economy, that is to say the structural barriers in the marketplace and in the under-employment of Canadians and of Canadian resources, it has relied on the blunt and inequitable tool of high interest rates.

This is what comes from an economic philosophy which holds that the government has no role in the economy and a political agenda that only serves to aggravate regional, social and economic differences.

In essence, this budget is the logical outcome of this government's refusal to address the fundamental problems in the economy. It is a hamstrung budget, one which demonstrates the extent to which this government, through its own policies, has backed itself into a corner from which it appears unable to extricate itself.

In 1981 the Liberal government of the day employed a counter-cyclical fiscal policy to bring Canada out of recession. By contrast, this government's failure to reduce its deficits over the following seven affluent years, resulting in a $400 billion international debt, means that it is now in no position to undertake such steps. The government projects record growth and productivity based on lower interest rates which, in turn, relies on historical low inflation rates, but it offers no policies which could produce the desired results.

The member has asked what alternative policies might the government have followed. I am certainly not one to argue that the solution to Canada's economic malaise lies in turning back the clock in attempting to re-employ the old tools of state intervention.

• (1340)

Nor would I for a moment argue that the government should attempt to rebuild Canada's trade fortress walls in attempt in some way to isolate itself from the global economy which has emerged in recent decades.

I would, however, suggest that there are ways in which public involvement in the private sector can bring benefit to all Canadians, one where government focuses less on creating economic activity than on creating the circumstances within which economic activity will naturally flourish. That is to say, one which takes as its priority supply-side, as distinct from demand-side, intervention.

Under the present government, the foundations that must underpin productivity have been eroded, both through neglect and through growing national divisions. The new rule for the state should be to rebuild these foundations from the bottom up.

Such a strategy, for example, could include working with the provinces to improve educational standards, enhancing our communications and transport infrastructure, removing interprovincial barriers to the movement of goods, services, capital and people and working towards sustainable development by building environmental costs into the costs of production, distribution and consumption.

Industry will need access to long-term, competitively priced capital in Canada if it is to invest in the high value-added sectors of the future. This government should have done more to foster the formation of indigenous capital. Instead, we have seen the government engaging in siphoning off domestic capital and generally weakening the economy. A policy of deficit spending has burdened Canadian industry with the most costly capital in the industrialized world.

This, in turn, has forced industry to turn increasingly to offshore investors, reducing domestic control of the economy and leading to the current balance-of-payments deficit.

Government must also re-examine, in answer to the hon. member's question, the ways in which our financial institutions are structured by looking again at how Canadians channel investment into Canadian industry. We should enable Canadian industry to have access, not only to long-term capital, but to capital that is domestically owned and controlled.

Finally, there is a need to develop mechanisms in our country for enhancing co-operation among business, labour and government and, indeed, among the various sectors of the economy. Unless a broad census can be achieved about the direction the economy should take and the way economic restructuring should occur, there is little hope that Canada's technological, industrial and natural resources can be channelled efficiently and painlessly into what Canada does best.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, it is a great pleasure for me to have the opportunity to rise today to participate in the debate on the budget which was brought down on Tuesday. But before I begin my discussion of that, and I realize I will not have an opportunity to finish before we adjourn, I do want to make a few comments about the events which occurred overnight in the Persian Gulf.

I think we all rejoice to know that hostilities have been suspended. We are waiting anxiously for results from the UN Security Council meetings. They met this morning and will be going into formal meetings this afternoon, with the hope that Iraq will have acceded to the conditions and will ensure that prisoners of war are exchanged, that reparations can be paid and all the elements of the cease-fire are met so that, indeed, it can be a permanent cease-fire and we can get on very challenging task of rebuilding and restoring peace and order in this difficult part of the world.

I think it is perhaps also appropriate this morning to mention that our thoughts are with the people of Kuwait. They have suffered such atrocities and such devastation of their country; we have seen some of that on television over the past few hours. It will take time to not only rebuild the physical infrastructure of their country but also to, I think, rebuild the people so they can once again live without fear or terror which they have been subjected to over these past months. Of course our thoughts are also with the families of those who have been killed or injured during these hostilities.

It is also a time to give thanks. I want to take the opportunity, Mr. Speaker, to express my thanks to so many who have worked so hard over these past seven months, and no more so than the 2,500 Canadian men and women who are serving in the Persian Gulf and those who have served during the earlier rotations. They have done an outstanding job and I think we can be very proud of the contribution that Canada has made and Canadians are playing in this situation.

We have seen that some of the personalities on television, Commodore Summers, Captain Dusty Miller, Colonel Lalonde, Denny Fireball Roberts, and all the others who have been so vigilant: on the navy side with the ships and air component, with the CF-18s and those working in the hospital. There are 550 Canadians who have worked there as well.

My thanks also go out to our Prime Minister and our Secretary of State for External Affairs. When the story of this situation is written, I hope it will be documented in a way that will truly show the outstanding leadership which the Prime Minister and the Secretary of State for External Affairs have played throughout; their efforts of diplomacy, and the continuing strength that they have shown to the United Nations and to our coalition partners.

It has been an extraordinary time which has brought nations from all over the world together and to say that they will not countenance aggression and have put actions behind those words.

We give thanks as well to the United Nations because it is perhaps now a renaissance in the history of the United Nations and we hope from the successful role that they have played in this situation, they will become the beacon of hope and really be able to help establish international peace and order.

I want to give thanks to the families of our service personnel. I have had the opportunity of visiting with many of them over this past month in the many bases across the country and many cities and communities. They have been stalwart and strong in their support. I want to give thanks also to the support we have received from so many communities and so many Canadians. It has been overwhelming but I think it is indicative of the kind of Canadian spirit and fortitude to show their support to our people.

There have been many others back here in Ottawa and across the country, many women who serve in the Armed Forces, were not in the Persian Gulf but enabled our activities to take place and who have worked around the clock for nigh on seven months; I want to pay tribute to them as well. They have really done an outstanding job, both on the military and civilian sides.

Now we wait and we hope and we pray that peace will come and that this will provide the opportunity for the world to reflect anew and through the auspices of the United Nations to ensure that we have mechanisms that can maintain peace, order and stability in this world and that we know where there are words there are also actions.

I think Canada and Canadians can stand tall today to know that they have made their contribution to this most just and important end.

Some hon. members: Hear, hear.

Mrs. Collins: Mr. Speaker, let me now turn back to our discussions on the budget. I think it was a very important budget. It was our Minister of Finance's seventh budget. We have seen through these seven years a constancy and a consistency. But this budget perhaps more than any other that I have seen over these years really reflects what is so important for us to be doing in this country. It not only responds to the needs of Canadians in this recession, but most importantly it positions Canada for economic recovery in the months ahead.

• (1350)

This government has had to make difficult choices with respect to the Persian Gulf. We now are making the difficult choices which will ensure that Canadians can enjoy economic prosperity, that our young people can look forward to a Canada that is going to have a sound economy in the future.

In order to maintain the standard of living that we have all come to enjoy and in order to provide the very social services that have made Canada an envied nation around the world, we must be able to compete effectively in the marketplace. We know so much of our economy is based on our ability to trade and to be competitive.

Our social services will not survive if Canada does not prosper in the new globalized economy. Indeed, our gains in employment equity—something which I have a great deal of concern and interest in—would be undermined if we were to lose our market share.

Certainly, Canada's economic prospects will be dim so long as we must continue to spend 36 cents out of every dollar on servicing our debt. As you know, Mr. Speaker, the federal government this year must pay $43 billion in debt charges. In fact, it is the largest single spending item. How much easier it would be to respond to the recession and to our options today if we were not shackled by paying $43 billion for what previous governments had borrowed in the past.

This government has no intention of mortgaging the future of Canadians. Through this budget, the Minister of Finance has outlined our plan for recovery. It will be a recovery that is based on some very fundamental principles which I think every individual understands as we do our own budgeting, as we do work with our own financial affairs.

It is a budget that is based upon lower inflation and lower interest rates so that stable prices by the mid-1990s will mean that families will be able to budget with confidence. They can feel more secure. It will mean that the elderly and the unemployed, the working poor, people on fixed incomes will have less fear of the future because they will know that they will not be hit. One of the worst things that can happen is runaway inflation.

The budget is not content simply to tighten our belts while giving us promises of better times to come. This government will help those who have been hardest hit by the current recession. Restraint is not a burden that will be carried on the backs of those in greatest need.

As you examine the budget, Mr. Speaker, you will see that the additional expenditures include more money for seniors, the unemployed and for farmers, who have been particularly hard hit by falling grain prices.

I would remind the House that the expenditure control plan that was introduced in last year's budget, with certain programs exempted from the restraint. Among those were major transfers to persons. Transfers to persons comprise the largest component of federal program spending. It is about a third.

These transfers include old age security benefits, the guaranteed income supplement, spouse's allowances, family allowances, veterans' payments and unemployment insurance benefits.

In other words, these are government cheques that go to the people who are most in need. Particularly in a time of recession I want to assure this House that these are the expenditures that are not being touched.

We have to recognize that our population is aging, and because seniors' benefits are fully indexed to inflation, benefits to the elderly are one of the fastest growing areas of government spending. In fact, the elderly are the beneficiaries of about half of government's spending on social programs.

From my perspective, I know that as a result of differences in life expectancy, the majority of these seniors are women. In fact, when we examined the portion of our senior population over the age of 85, we found that in 1989 there were more than twice the number of women than as men.

That is why in my portfolio responsibilities as Minister responsible for the Status of Women I am very pleased that this budget calls for an increase of $1.6 billion in the amount spent on the elderly. It also calls for $3 billion to be spent on the unemployed. Unemployment insurance continues to be one of the most important elements of Canada's social safety net. The government will continue to use the unemployment insurance programs to provide for those who have lost their jobs.

Just another example of how our recovery will not be sought at the expense of the disadvantaged, I think then we can turn to the new initiatives to help disabled Canadians. Last November my colleague, the Minister responsible the Status of Disabled Persons introduced a strategy to promote equal opportunities for Canadians with disabilities. This budget implements many of those proposals.

The disability tax credit, something that the disabled community has been asking for, recognizes that Canadians with disabilities face higher costs of living and working. It will be increased from $575 to $700 in 1991. As well, the budget recognizes three new disability related expenses in the medical expense tax credit. This change is expected to benefit $35,000 Canadian households at a cost of $20 million. In the past allowances for the disabled, such as subsidized parking and transportation, have been treated as taxable benefits. This budget drops these requirements.

In order to promote more opportunities for disabled Canadians to go into the workforce, and that after all is one of the objectives, one of the cries of many from the disabled community, the business costs of modifications for the disabled, such as wheelchair ramps, will be totally deductible in the year they are incurred. This measure, I believe is fully consistent with this government's commitment to employment equity, a commitment that has helped create new opportunities for the disabled, as well as native Canadians, visible minorities and women.

Let me turn now to another area of the budget and one in my other portfolio that I have a particular interest in; the impact on defence. As my colleagues know, this past year has presented the Department of National Defence with some extraordinary challenges. Certainly foremost among those has been the conflict in the gulf. Our government's decision to deploy 2,500 Canadians to the gulf region has imposed significant and unforeseen pressures on our national defence budget.

Our servicemen and women have played a vital role in the coalition effort. They are serving Canada, they are serving the cause of international peace and security with great skill and dedication, which I mentioned before. I know the vast majority of Canadians have supported these efforts. They have supported our forces serving in the gulf because the cause that they have served is just. Like previous generations of Canadians in wartime, we must be prepared to pay the costs. Where necessary, these are costs to help ensure the kind of world that we want for our children and for ourselves.

It goes without saying that the Government of Canada, through the Department of National Defence, has a responsibility to support those who have served in the gulf, to ensure that they have the equipment, the training and the support that they need to fulfil their mission. The government has been fully committed to this end. In the Department of National Defence, supporting our force's operation in the gulf is currently our highest priority.

The Acting Speaker (Mr. Paproski): The hon. minister will have four minutes left in her debate, plus ten minutes questions and comments.

It being two o'clock p.m., the House will now proceed to Statements by Members, pursuant to Standing Order 31. The hon. member for Restigouche—Chaleur.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

THE BUDGET

Mr. Guy Arseneault (Restigouche—Chaleur): Mr. Speaker, the Budget brought down Tuesday by the Minister of Finance is a full-scale attack against the Atlantic provinces and rural regions.

The $2.3 billion cut in transfer payments for health care and education will cause the provinces to either increase taxes or cut back on their services.

The Tory Budget proves this government is economically brutal, not fiscally responsible.

[*English*]

Instead of providing a job creation strategy for the 1.4 million Canadians who are unemployed in the midst of a recession, the finance minister has slapped them in the face with a $100 million cut in the Canadian Jobs Strategy fund. Where is the funding for the job training the government had promised in Bill C-21?

Rural and Atlantic Canadians have been served a budget that cuts job creation dollars, ignores national unity, attacks health care, education and labour and continues the Prime Minister's policy of transfer—

The Acting Speaker (Mr. Paproski): The hon. member for Elgin-Norfolk.

* * *

THE BUDGET

Mr. Ken Monteith (Elgin—Norfolk): Mr. Speaker, the budget presented by the Minister of Finance on Tuesday is a balanced and fair budget, with the exception of the tobacco tax.

This increased taxation will have a devastating effect on the tobacco farmers of Elgin—Norfolk, many of whom are already suffering from Canadians' declining consumption of tobacco. I would hope the minister will be able to provide some ray of hope for these farmers by ensuring that funding is available to assist them in diversifying into other crops.

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[*Translation*]

THE DISABLED

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Conservative government has made new tax benefits available to the disabled, in addition to an increase in the tax credit from $575 to $700. Mr. Speaker, I hear the travelling minister, the hon. member from Sorel, who is always complaining about members on this side of the House. We could call him the "best travelled minister since 1984."

Mr. Speaker, the range of deductible medical expenses has been expanded to include services ranging from attendant care to the purchase and maintenance of a guide dog.

Families supporting a disabled child or adult will also see their deductions increased, and the government has introduced incentives for employers to make changes that will improve building access for the disabled.

* * *

[*English*]

CANADA POST

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today under Standing Order 31 regarding the village of Watford's recent experiences with Canada Post.

Their efforts to deal with this in a responsible, positive way have been bureaucratized and aborted by the deceit and mistrust of Canada Post.

Canada Post has finally shown its stripes: For example in a letter from the reeve of the village, he points out that the alleged retirement of the postmaster this spring was not factual.

The village's request for information promised on financial issues never came. It must still be in the mail.

Canada Post privately told favoured individuals to tender before the public was offered the same opportunity.

It awarded contracts without doing credit checks and asking for bondable contractors.

It offered contradictory information through its bureaucrats and then set deadlines that were unreasonable.

Village negotiations for the purchase of the Canada Post building whose site is shared with the cenotaph honouring the men and women who served Canada in the world wars are under way. The village is understandably very concerned about dealing with Canada Post on this matter, given its past record of misleading statements and the withholding of information.

I call on the minister responsible for Canada Post to hold the corporation accountable for its actions.

S. O. 31

GOODS AND SERVICES TAX

Mr. Phillip Edmonston (Chambly): Mr. Speaker, the GST is a tax that is not only outrageous and regressive in principle, but is producing abuses in practice.

Under the law, non-commercial tenants are not required to pay this lousy tax on the rent for parking spaces, even if it is not in their lease, the money is paid to another company, or the parking is in an adjoining building. But Crown Life in Montreal, collected over $5,000 in illegal GST payments since January from tenants in the La Cité complex in Montreal for their parking spaces.

That is $5,000 that Crown Life is going to have to pay back to those tenants, Mr. Speaker. I reported this abuse to Revenue Canada and they promised to get the money refunded. But members of Parliament should not have to pressure Revenue Canada to have the law respected. It is Consumer and Corporate Affairs which must stop this illegal taxation, which I am told is Canada-wide.

* * *

JUSTICE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, it is time for someone to take a serious look at the Department of Justice.

Yesterday, after two years of foot-dragging and two years of stonewalling, the justice minister announced she will not reopen the David Milgaard case. There was a mountain of evidence that cast serious doubt on Milgaard's murder conviction of 21 years ago. The place to clear the air was the courts, but the justice minister, with little explanation, slammed the door.

She has never explained the process of investigation. Where did Milgaard's application fail? There are charges of cover-up, Mr. Speaker. Is the department really fit to carry out an investigation of this kind? After all, it is asked to investigate itself. It is time to have a public inquiry. Canadians have a right to know whether the Department of Justice is deserving of its name. In the meantime, the spectre of an innocent man languishing behind bars continues to haunt us.

GULF WAR

Mr. Peter L. McCreath (South Shore): Mr. Speaker, the world rejoiced last night with news of the cease-fire in the gulf. All Canadians can take pride in the effective role played by our Canadian men and women in the gulf. We are equally grateful that it would appear that there will be no Canadian casualties.

Nevertheless, these people have put their lives on the line in support of what not only Canadians but the nations of the world believed was essential.

I commend the government, the Ministers of National Defence and Veterans Affairs for having recognized the gulf area as a special duty area, with the benefits and allowances that the designation implies. The leadership and encouragement which these ministers have provided throughout the conflict is to be commended, as is the contribution of the Secretary of State for External Affairs.

Needless to say, the leading figure throughout this crisis has been the Prime Minister of Canada, who has shown Canadians and all parliamentarians the true meaning of political leadership, indeed, the true meaning of statesmanship. Thanks to all for a job well done.

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STATISTICS

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, the government has come up with a rather ingenious way of bolstering its image. Believe it or not, it is now hiding the bad economic news. It is doing so by cancelling the collection of statistics.

We learned recently that the government has cancelled the annual census of construction. It has also cancelled the mid-year survey of business investment intentions. In early January, we learned the government was planning to discontinue collecting all science and technology statistics.

Given the Prime Minister's promises to increase Canada's scientific efforts, this would have been acutely embarrassing to the government, you will admit, Mr. Speaker. So, the minister ordained that Statistics Canada should continue to collect science and technology statistics. But, apparently, construction and business investment were less sensitive targets. There is only one

possible conclusion to come to, Mr. Speaker, the government has made such a mess of Canada's economy that its only recourse is to hide the evidence from Canadians.

* * *

TRANSFER PAYMENTS

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, this government has increased its transfer payments to the provinces by 3.7 per cent over last year. And yet, I keep hearing about how we have cut our payments to the provinces and therefore health care and education will suffer.

The provincial governments are well aware of the fact that these transfer payments are block payments made to them with no strings attached. It is up to the provincial governments to make the appropriate allotments. But, of course, it is far easier to blame the federal government for not giving more money than it is to examine the province's spending habits.

It is time for the provinces to realize that they must be part of the solution. They must stop blaming the federal government for their fiscal problems and set about getting their fiscal house in order.

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FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, in the government's estimates tabled in the House this morning, the new forestry department is getting another kick in the teeth. Funding is being cut by 7 per cent, largely because forest agreements with the provinces have not been signed. These agreements give the department its ability to deal with the provinces on many important forestry and environmental issues. We are told that the agreements with Alberta, Saskatchewan, Manitoba and Ontario might be funded out of the government's reserve funds.

These agreements expired in March 1989, and still the government has not done anything. Even Western Diversification has sat on the funds for these so-called partnership agreements. When is the government going to get its act together and treat our forests with the priority that it should?

• (1410)

[*Translation*]

RED CROSS

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, last Monday, the annual Red Cross fund-raising campaign in Quebec was launched in Montreal. On that occasion, Mr. Claude Béland, president of the *Mouvement Desjardins* and honorary chairman of the campaign, reminded Quebecers of the importance of the traditional role played by the Red Cross in our society.

Mr. Speaker, the Red Cross is a lot more than blood donor clinics. The Red Cross is active in water safety and other areas, and when there is a disaster, it provides victims with on-going humanitarian support. I am sure that if we could help a person in danger, we would, without hesitation. However, since we are not in a position to do so, the Red Cross does this on our behalf, and with our donation it will be able to continue to finance its activities. The Red Cross urgently needs funds, Mr. Speaker. Give generously!

* * *

[*English*]

THE ECONOMY

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, this government, by its own hand, has reaped economic devastation from coast to coast in this land, as illustrated all too graphically by the 12,000 businesses and 43,000 personal bankruptcies racked up in the last year.

In the ultimate act of contempt, the government refuses to take responsibility for the thousands of shattered lives and dreams that result from these cold statistics. In P.E.I. bankruptcies are up by 19 percent. In Ontario, nearly 20,000 personal and business bankruptcies. Behind each statistic there are real people, many of whom have had their lives shattered forever, who have lost their businesses, lost their jobs, their families, who have lost their pride, all because of this government's insane economic policies, which have driven a stake through the heart of the Canadian economy.

In the ultimate act of contempt, it brings in a budget that offers no relief but just promises more of the same to those businesses and individuals who are still hanging on by their nails. The people of Canada do not need a new budget, they do not need a new finance minister,

they need a new government, a Liberal government and, for the sake of all Canadians, the sooner the better.

* * *

NATIONAL UNITY

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, Canadians have so much to be thankful for today. In the Persian Gulf our forces have fulfilled their mission with courage and expertise and all Canadians across this country share an immense pride in our men and women in the gulf.

At the same time, Canadians at home are searching for answers that will make our country stronger and more united. Lucille Hilston is one of my constituents in Niagara Falls who feels very strongly about her country. Mrs. Hilston has written an anthem celebrating Canada's birthday entitled "Happy Birthday, Canada". She hopes that it will promote positive feelings across the country, especially at this time in our constitutional history. I will read a couple of lines from this inspiring song:

> It is time for celebration
>
> The birthday of our nation
>
> Land of love and liberty
>
> Historical creation
>
> Of many years duration

This is just one person's response to help promote a united and happier Canada. I thank her for her efforts. Anyone who would like a copy of that, please write to me in care of the House of Commons.

* * *

THE BUDGET

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, if there was any doubt after the budget speech that this Tory government is continuing its seven-year program of attacking low and middle-income Canadians, a peek into the 1991-92 estimates document lays that doubt to rest.

At a time of recession and high unemployment, this government is slashing $3.1 billion from the Employment and Immigration budget and stealing $100 million from the Canadian Jobs Strategy program. It is threatening job losses as a direct result of any wage increases to public servants as it pits employee against employee. It further damages the collective bargaining process to legislate its right to contract out work presently performed by its employees.

With the $60.3 million in cuts to transfer payments under the Canada Assistance Plan, it has again shown its contempt for ordinary Canadians by attacking those programs that Canadians are most dependent upon.

When the Prime Minister said his party was best to manage change, Canadians had no way of knowing how drastic or how devastating those changes would be for our country.

* * *

[*Translation*]

POSTAL RATES

Mr. Louis Plamondon (Richelieu): Mr. Speaker, a few weeks ago, management of the papers *La Terre de chez nous* and *Les Affaires* had an unpleasant surprise when they heard that as of April 1, 1991, they would no longer be eligible for third-class mail rates. This decision will increase mailing costs by over 600 per cent and will soon lead to the demise of these two periodicals.

How can the responsible minister justify this increase when most Canadian-owned periodicals will face an increase of only 5.5. per cent? I think it is arbitrary, to say the least, that two magazines that reflect the values of Quebecers and their desire to be well informed are being penalized for the fact they are printed on newsprint, not stapled and appear more than 48 times a year. Mr. Speaker, I am sure you are aware of the role played by these two publications in helping Quebecers stand up for their rights. *La Terre de chez nous* is a symbol to Quebec farmers. It is their main source of information as well as a touchstone for rural values in Quebec. *Les Affaires*—

ORAL QUESTION PERIOD

[*English*]

THE ESTIMATES

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister.

Yesterday, when the Liberal Party said that the government was trying to destroy medicare, the Minister of Health accused us of scaremongering. In the government's estimates, tabled less than three hours ago, the government is planning a $1 billion cut in medicare payments.

I want to ask the Prime Minister how he can claim on the one hand that his government is protecting medicare and how his own estimates, on page 19–8, predict a $1 billion cut.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member is well aware that the transfer to the provinces under the Established Programs Financing is made up of both tax points as well as a cash transfer. She has only referred to the cash transfer. The total transfer, tax points and cash transfer amount to an increase for the provinces, as a whole, equivalent to approximately 1 per cent.

In addition to that, there is the equalization program of which seven provinces are beneficiaries. That is also used to help those provinces support medicare, the post–secondary education programs, as well as any other program they wish to apply it to. And that is increasing quite substantially this year, on top of the tax transfer and EPF.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I am going to read for the Minister of Finance from his own estimates: "Insured Health Services Program Main Estimates 1990: $5,448,000,000."

And in 1991–92, Mr. Speaker, the same Insured Health Services Program, $4,400,000,000, for a cut, Mr. Speaker, of over $1 billion.

[*Translation*]

The Prime Minister knows perfectly well that today, the Quebec Minister of Health predicted that the government's budget policies and cutbacks would provide ammunition for the separatist position. Those were the words of the Quebec Minister of Health. My question is directed to the Prime Minister.

Since we have a secure universal health care program that is used by all Canadians—in Quebec, Ontario and across Canada—why is the Prime Minister encouraging the separatists with these cutbacks in health care funding?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I repeat, there are two kinds of transfers to the provinces: cash transfers and additional transfers in the form of tax points. The hon. member only referred to the cash transfers. So I repeat, the figures mentioned, which were indicated in Tuesday's Budget, will not have any impact on transfers for the coming year.

[*English*]

Ms. Copps: My supplementary is for the Prime Minister.

There is a billion–dollar cut predicted in his own budget. He will know that the Minister of Health in Quebec has stated: "That this government with its cuts is nourishing the argument of those who would like to separate from Canada."

• (1420)

I would like to ask the Prime Minister very specifically, knowing as he does that medicare is one of the building blocks of our nation, why he is prepared to cut one of the building blocks out of our nation.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the minister of health from Quebec was also the campaign chairman of my hon. friend when she ran for the leadership of her party.

Some hon. members: Oh, oh.

Mr. Mulroney: The minister of health from Quebec knows full well that the amounts of money from the federal government to the provinces are going to increase, which is not the case with a decision that he and his colleagues took in Quebec when they off–loaded hundreds of millions of dollars on to the municipalities of Quebec.

When next you are speaking with him, ask him that.

Oral Questions

HEALTH CARE

Hon. Herb Gray (Windsor West): Mr. Speaker, neither the Minister of Finance nor the Prime Minister has given us any explanation why there is any cut in any funds in the estimates for health care. Bearing in mind the need for quality health care in this country, their evasion of an answer speaks volumes for Canadians.

My question is for the Minister of National Health and Welfare. Yesterday, when asked about his government's plan to phase out federal money for medicare, he said that our concerns were simply Liberal scaremongering.

Yesterday, Dr. Lionel Lavoie, President of the Canadian Medical Association, speaking for the association said, and I quote:

> The Government of Canada is financially strangling medicare. Health care will suffer.

Will the minister now admit that when his government is in effect pulling the plug on life support for medicare it is not scaremongering; it is simply the truth?

Some hon. members: Hear, hear.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, it is just the opposite. I would suggest to the hon. gentleman that when the Liberal Party of Canada distorts the facts and suggests that the fact that money is shifting between cash payments to the provinces and transfer of tax points represents a retreat on the part of the government on medicare to the tune of $1 billion, that is simply false. It is the Liberal scaremongering I referred to yesterday.

What threatens medicare and what threatens quality social programs in Canada is the fact that today the first 35 cents out of every dollar that goes to Ottawa in Canadian's taxes is going just to pay the interest on the national debt.

It is a time for honesty. It is a time for opposition members to make it clear. Do they favour a higher deficit? Do they favour higher taxes, or do they favour cuts? It is time to come clean with Canadians.

Hon. Herb Gray (Windsor West): Mr. Speaker, it is time for the Minister supposedly for National Health and Welfare to come clean with Canadians and to say whether he is accusing the President of the Canadian Medical Association of scaremongering when the president of the association says that the government's budget is financially strangling medicare. Is he going to stand up and make that accusation? I bet he does not have the guts to do that.

[*Translation*]

Dr. Lavoie went on to say that he was, and I quote:

> surprised at recent government decisions with respect to medicare, during a national unity crisis.

I therefore want to ask the minister how he can stand idly by when the Minister of Finance and the government are dismantling Canada and fundamental programs such as our medicare system?

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, Canada spends about $2,000 for every man, woman and child in this country on health care. Only the United States with its disorganized system spends a higher percentage of GDP than Canada does on health care.

We are transferring this year some $14 billion to the provinces. It is a commitment that remains.

It is only the friend of the hon. member for Hamilton East who has proposed that the federal government should vacate responsibility for medicare. It is her responsibility to explain his position, not ours.

* * *

THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Statistics Canada announced today that the effect of the recession, the impact on people, is even greater than this government would have had us believe. Yesterday, the National Association of Food Banks said that in the last year almost 200,000 children relied on food banks. I point out to the Prime Minister that not very long ago he was up speaking in this House, and he was chairing a world summit, on the poverty of children.

I want to ask the Prime Minister: Given that there are real needs and human needs out there, why has this government chosen almost $2 billion in cuts to post-secondary education and health services, to the kind of services that fulfil people's needs? These are not frills that we are talking about.

In 1981 the Liberal recession was fought on the backs of the poor, of those who needed health care and the unemployed. In 1991 we do not see one new idea.

What is the Prime Minister going to do for those Canadians, those children today, in 1991, who have real needs?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the most important thing the government can do is to get the economy moving again, to bring down interest rates, to allow Canadians to find jobs, to allow Canadians to move off welfare, out of poverty, and into decent paying jobs, into security, and into a future.

Members of the NDP profess to care about our children's future. Yet, what they say is that we should be spending now on this generation and sending the bills to our kids. It is time to stop stealing from our children.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I and I would think most Canadians would fail to see how having children for the next generation go hungry does something for the future of those children and for the future of Canada.

[*Translation*]

Mr. Speaker, my supplementary is directed to the Prime Minister. The provinces and the territories all agree that health care social services and education needs are growing. When times are difficult, Canadians across the country count on their government to do something. Instead of cutbacks, when doesn't the Prime Minister reconsider his decision and stop punishing the least advantaged in our society?

Right Hon. Brian Mulroney (Prime Minister): The budget cutbacks and economic decisions announced by the government have had, as the Minister of Finance clearly pointed out, the effect of lowering interest rates. Only a few hours ago, interest rates in Canada were lowered again this week, for twelfth or thirteenth week in a row. So that is good news for the economy.

I agree that, coming out of a recession, we do have social problems. As the Minister of National Health and Welfare just explained, the government has a range of programs to help those who are less well-off in our society. However, on the subject of reducing the number of people living in poverty, he noted that today several hundred thousand fewer Canadians are living in poverty than in 1984. And despite the negative impact of a recession, Canada has continued to make substantial social progress. Our views on economic ideology differ from those of the New Democrats. We intend to focus on the private sector and lower interest rates, because we believe the private sector will be able to contribute more towards creating new prosperity for all Canadians, starting with durable jobs.

[*English*]

Hon. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker, for the Prime Minister.

If the Prime Minister wanted to help that business sector which creates the most jobs, he would help small business, and those are the ones that are being hit by this budget.

• (1430)

The estimates issued today estimate that the increased costs of the Senate are going to be some $5.6 million.

Some hon. members: Shame.

Ms. McLaughlin: Surely at least a large percentage of these costs will be associated with the eight GST senators whom the Prime Minister appointed. At the same time, the Minister of Finance has announced that there will be almost a $2.7 million cut to the Northwest Territories for aboriginal language programs and a phasing-out of land use planning in the north where of all places in Canada it is most needed since we have land claims and since we have a fragile environment. That has both environmental consequences as well as consequences for the development of the north.

Would the Prime Minister not consider getting rid of some of the GST senators, using that money to invest in the north where the future is?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I know my colleague is very interested in the concerns of the small business community. I am sure she realizes that the small business community has one of the lowest tax rates of any small business community in the industrialized world. I am sure she also realizes that one of the things not only the small business community has asked for, but Shirley Carr of the Canadian Labour Congress, the Exporters Association, the Manufacturers' Association and social groups have all asked for is low interest rates. That is precisely what this budget is designed to do.

We are not just walking around snapping our fingers saying: "I hope, I hope, I hope that interest rates will come down". We are taking the policy decisions which will put in place a framework that will ensure they will come down. That is the essential message of this budget.

* * *

THE ESTIMATES

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

The Main Estimates tabled this morning contain a special allocation of $600 million to cover the cost of maintaining Canadian forces in the Persian Gulf during the next 12 months beginning April 1.

Given that the gulf war is now over and that the outstanding men and women of our Canadian forces will soon becoming home, will the Minister of Finance—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member.

Mr. Tobin: Mr. Speaker, it is a great shame that the government party would not take this opportunity to applaud our forces and not make cat-calls.

Some hon. members: Hear, hear.

Mr. Tobin: Mr. Speaker, will the Minister of Finance tell the House what portion of the $600 million set aside in this morning's estimates for the next 12 months, money which will now not be used because the gulf war is over, can now be made available to assist Canada's projected, the minister's own projection, 1.5 million unemployed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the government included in the budget amounts of money to make sure that the outstanding men and women who serve Canada in the military receive the full and complete support of all Canadians, whether they are serving overseas or whether they are here.

The government will make sure that the needs of the military are met because when the government brought before the House of Commons a commitment to send the military to fight a war on behalf of freedom, we committed to them that we would give them everything that was required, and the members of this House and this government stood with them then and we will stand with them now.

Some hon. members: Hear, hear.

Mr. Tobin: And we agree with that.

Some hon. members: Oh, oh.

Mr. Tobin: Mr. Speaker, there is $600 million—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member.

Mr. Tobin: Given that there is $600 million set aside this morning for the next 12 months beginning April 1, given that we do not anticipate on this side our force being in the Middle East for the next 12 months, therefore we anticipate a savings, is it not time to give Canada's unemployed a peace dividend by restoring the $100 million cut to job-creation funds made by this minister in his budget a few days ago?

Some hon. members: Hear, hear.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am sure the Canadian Armed Forces serving in the gulf will appreciate the expression of support from the hon. member.

But they will be somewhat perplexed at the fact that he proposes or would recommend that these amounts be withdrawn before they even return.

I think my hon. friend will recognize that the forces are there. They may be there for a considerable period of time. We still do not know. The Government of Canada will continue to deploy all resources to make sure that the men and women who served Canada in such a courageous way receive the full support of the government and the people of Canada.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, my first question is for the Minister of Finance.

Officials of the Department of Finance have now confirmed—they confirmed it this morning—that they will be deducting from the equalization payments of the four Atlantic provinces $60 per head of population each year to recover what they call the largest overpayment ever in equalization grants given to the four provinces, and that the overpayment took place some three years ago.

I want to ask the Minister of Finance: Why do the people of Newfoundland, on top of the restrictions on the transfer payments announced in that terrible budget, now have to repay $58.3 million in payments of over $1 million every two weeks for the next two years, and the maritime provinces will have to do the same thing?

The Government of Canada forgives moneys owed by foreign nations and foreign banks. How about giving the people of Newfoundland and the maritimes a break?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I thought I heard correctly that the hon. member referred to that terrible budget.

Some hon. members: Yes.

Mr. Wilson (Etobicoke Centre): Why is it that the President of the Treasury Board, Mr. Winston Baker—

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): —of Newfoundland, had some words of praise about that budget?

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): He said: "All governments generally have reached the limit of spending beyond their means, which spending will have to come out of the pockets of people 10 to 15 years down the road".

The President of the Treasury Board of Newfoundland does not agree with this being a terrible budget. He thinks it is a good budget. I do not know why the hon. member would use those words. He should speak with his brother.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): The hon. member has asked a serious question that deserves a serious answer. That is not to say that my first response was not a serious response.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member.

• (1440)

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I can assure the minister that on this question I am not my brother's speaker.

Some hon. members: Hear, hear.

Mr. Baker: Will the Minister of Finance now admit that his budget and the estimates tabled today are really taxation by the back door. Will he not admit that these place an undue onus on the shoulders of provincial governments and on the backs of the managers of our Public Service who are now being order to lay off 2,000 employees for every 1 per cent increase in their salaries? The government is treating our public servants like a pack or rats and the minister thinks he is the exterminator.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, all I can say in response to my hon. friend's first answer is, that is the brother of all answers.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. minister would answer the question.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, my friend has referred to the steps we have felt bound to take in controlling the wage costs of the government. This is something that we do not like to do, but we have to recognize the difficult fiscal position the country is in and the difficult deficit and debt problem the federal government has.

We have asked our public servants, as we have asked all members of the House, to participate in solving this problem. We have to take into account the fact that other parts of the country, other people in the country are suffering from wage cuts, salary cuts and from lay-offs. In that broad context, if we as members of Parliament, as members of the Public Service, can help get this country back on its feet again, can help get interest rates down, can help get the economy moving again as we expect it will be in the second half of the year, then I think that is a good move on the part of all of us.

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of the Environment.

My mother used to say, "eat your greens", but it looks like the Minister of Finance took it literally in his budget on Tuesday. The Minister of the Environment tried unsuccessfully to make a silk purse out of a sows ear yesterday with his claim that a $600 million cut to the Green Plan adds up to a 20 per cent increase. Today's estimates, in fact, show that the environment budget increase is below the rate of inflation and today's estimates reveal that the Green Plan has been kept as a secret political slush fund, quite separate from the environment estimates.

Would the minister justify for the House the continued secrecy of the Green Plan slush fund and would he justify the 50 per cent cut to environmental assessment and his colleague's cuts to alternate energy and to conservation, supposedly the pillars of the minister's plans to deal with global warming?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I am glad to know that my colleague from Skeena reads carefully both the budget and the estimates.

He will find in the budget a clear commitment to spend an extra $250 million for the Green Plan over and above what this government was spending last year on the environment. That is, indeed, on a base of $1.3 billion, a 20 per cent increase, as I stated yesterday.

He will find in the estimates that over and above that, the A base of the Department of the Environment is increasing by 4.8 per cent. That is above the 20 per cent. When you add the two, you get a very major indication of this government's commitment to the environment.

* * *

RESEARCH AND DEVELOPMENT

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is directed to the Minister of Finance. A moment ago, the Prime Minister was talking about the importance of the creation of wealth, yet every single person in the world seems to know, and the finance minister seems not to recognize, that the creation of wealth in any modern industrial state is dependent upon research and development, technology and a highly educated and trained work force.

My question to the Minister of Finance, as he points in various directions over there, is when is he going to stop this empty-headed and catastrophic attack on research and development, on post-secondary education and on training? When is he going to realize that such attacks are directed towards the deindustrialization of Canada and its conversion to Third World country status, and that in fact it will lead to a yet higher deficit in the final analysis?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, what will lead to the deindustrialization of Canada is the continued high interest rates that this country has to go through because of the deficit.

If you want to look at research and development, you will note—

Some hon. members: Oh, oh.

Mr. Winegard: I have lots of time, Mr. Harvey.

Science and technology has a very preferred position in this budget. It is one of the highest increases that there is in the budget, and that indicates that the Minister of Finance has been listening to me.

* * *

HEALTH CARE

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. The Canada Health Act, introduced by the Liberal government and which became law in 1984, is a source of national pride. In contrast, Bill C-69, which was forced through the House and became law this year, cuts the legs from under medicare and is a national disgrace.

The government now says medicare protection will be legislated as the budget, which further freezes transfer payments, escapes enforcement power from the Canada Health Act.

What other means does this government have in mind to help enforce the Canada Health Act that are not already in this act? And would the minister admit that weakness lies, not in this health act, but in the government not willing to act?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I was very pleased with the statement by the Minister of Finance that measures will be taken to ensure that as the balance between tax points and cash changes under the transfers that we are making to the provinces, they will be able to protect the provisions of the Canada Health Act.

The important point to make is that the government, this year, will be transferring for health care some $14 billion to the provinces.

Transfer payments to the provinces have gone up since the last year the Liberals were in office in 1984. They have gone up by over 50 per cent. I think that is an important increase and I believe our commitment to ensuring the health of every Canadian is an important commitment to this country.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, my supplementary is for the same minister. Americans demanded the removal of the federal subsidy to unemployment insurance during the free trade negotiations. Last year, this government capitulated and did away with that subsidy. Now the same government is retreating from its commitment to medicare. I ask the minister to unveil his government's next scheme to further harmonize Canadian social spending with his American model?

What is the next sacred trust to be foreclosed?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, that particular canard was flown by the Liberals in the last election and rejected by every Canadian because they knew that the attempt by the Liberals to frighten the elderly, the sick and the poor was simply a reprehensible political tactic.

Members opposite inherit a world where it is possible to spend without having to worry about where the money is coming from. Back here on planet earth where ordinary Canadians have to live, we realize that governments cannot repeal the laws of economics, that it is important that governments follow the same rules as every homemaker, every family farmer, every businessman, and recognize the fact that if you keep spending more money than you are bringing in, you will have very serious problems, indeed. We will protect Canada's social programs by putting Canada's finances in order.

* * *

• (1450)

[*Translation*]

EMPLOYMENT

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, my question is directed to the Minister of Finance.

The unemployment rate in Montreal is very high. Perhaps more than others, new Canadians find it difficult to land a job. Would the minister explain how a $100-million cut-back in employment planning can possibly help these people find ways to survive?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, it is very important to note that in Montreal as in other cities and urban regions of Canada a lot of money is allocated for immigrant language courses and training.

It should be noted as well, and I take this opportunity to mention it, that this year the government has earmarked in excess of $3 billion for employment training and assistance—$500 million more than last year.

* * *

SPICER COMMISSION

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is directed to the Prime Minister.

With respect to an article published in today's *Le Soleil*, Mr. Robert Normand, who sits on the Spicer Commission, said, and I quote the article in *Le Soleil*: "Mr. Normand finds rather strange the fact that some of his fellow commissioners are working on the basis of 30 days a month at $600 a day. According to him, five or ten days a month with a few more intensive periods now and then would be more normal". He goes on to say: "Apparently some commissioners have hired $40,000-a-year executive assistants and huge amounts have been paid for overtime for mostly unknown reasons".

Prime Minister, my question is this: What corrective measures do you intend to take in this case?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I know Mr. Normand very well, not only an excellent man but also an outstanding administrator who sits on the Spicer Commission.

The hon. member would know that when the government appoints royal commissioners they are free to conduct their business as they see fit. I saw today's statement and I am sure that the Commission Chairman, Mr. Spicer, will read it carefully and, if need be, take all corrective measures required.

We should keep in mind that the government gave Mr. Spicer a wide-ranging mandate about which he is expected to report in relatively short time. Still Mr. Spicer is fully aware of all federal government management standards and we also know him as a man of utmost integrity. We know that his commission will fully abide by these standards.

* * *

[*English*]

EMPLOYMENT

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, my question is for the Minister of Finance.

This budget is an attack on working families. The minister has laid the claim for his economic policies at the feet of public sector workers. He said in the budget that he would listen to the anguish of people, yet there is nothing in this budget to help those who have lost or who are about to lose their jobs.

In fact, when the estimates are compared to the budget, it is clear that more dollars than anticipated were taken from the Canadian Jobs Strategy at the last minute. Could the minister explain what, at the last minute, became more important than training unemployed workers?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, there is nothing more important to this government than training unemployed workers. I appreciate her support on this issue. It is too bad she did not support Bill C-21 sooner and we could have had funds at work last year.

I also want to point out to the hon. member and repeat what I said earlier, that over $3 billion is going to be spent this year on training, on training allowances and on employment initiatives all across Canada. That is $500 million more than last year and $900 million more than two years ago.

That is directed at unemployed workers, at workers who need to upgrade their skills and to meet exactly the requirements which the country has for a better trained workforce, as well as to give individual workers a more satisfactory life and a stable source of income.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, on October 26, 1990, the finance minister said in the House there would be no changes to the UI premiums for three years and that the government was planning accordingly. He even said, and I quote, "If there is any shortfall, then this will be made up by the government". The minister should know that a nation out of work cannot work as a nation.

Why is the Minister of Finance putting the burden of the deficit on the backs of working Canadian families and on the backs of the unemployed?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member totally misunderstands the objective of this budget. What we have set out very clearly in the budget statement itself is a series of ways in which we are going to get interest rates down further from the 400 basis points, the four percentage points, that we have already seen interest rates come down.

You cannot just wish interest rates to come down to help the unemployed workers that my hon. friend is concerned about. What is necessary is taking the steps to make sure that it does happen.

What I am hearing from both the New Democratic Party and the Liberal Party is that they would have started with that $35 billion deficit that we were looking at when we started the budget planning this year and increased the spending. All I have heard today are suggestions for increased spending from both the New Democratic Party and from the Liberal Party. If they are going to have an increase in spending on top of that deficit number of $35 billion, interest rates would not have gone down; they would have gone right up. That would have done far, far more to—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member for Abitibi.

[*Translation*]

FINANCIAL ADMINISTRATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Transport. The Quebec mining association strenuously objects to the proposed amendment to the Financial Administration Act concerning cost recovery in marine shipping, especially in the ports of Quebec City and Montreal, as far as the mining industry is concerned.

My question is this: Could the minister inform the House today whether Bill C-91 will have a disastrous impact on the economy of certain regions, especially in the mining industry—copper, iron, zinc and salt—by making it more attractive for Canadian freighters to go through U.S. ports instead?

[*English*]

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, as my colleague, the President of the Treasury Board has stated, Bill C-91 has no bearing on the government's authority to implement cost recovery proposals. The existing section 19 of the Financial Administration Act is the legal foundation.

I should also tell my hon. friend that we are still consulting on cost recovery measures. As late as this morning I met with officials of Stelco and I am sure that when we do develop a proposal that it will be acceptable to the industry.

Mr. Speaker: The hon. member for Ottawa West, a single question.

* * *

PUBLIC SERVICE

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Minister of Finance. The minister has told Public Service employees if they want to feed their families they have to axe their friends.

In 1982 the same minister said about wage controls: "There is no flexibility when a limit is placed on everyone, whether a clerk, SX-3, deputy minister or president of a Crown corporation".

Why has the minister changed his mind? Why does he now find it perfectly acceptable that the president of a Crown corporation, making as much or more than $300,000, can now have an increase this year equal to the entire salary of 70,000 public servants, equal to the entire salary of a clerk living on a poverty wage needing every cent to feed her children?

• (1500)

Hon. Gilles Loiselle (President of the Treasury Board and (Minister of State (Finance)): Mr. Speaker, I suggest that the hon. member read very carefully what our proposal is. There is indeed a lot of room to manoeuvre within our proposal. This is not a freeze. We said that we are living in difficult times.

I remind her again of what I told the union leaders of the Public Service at a time when Canadians are hurting and being thrown out of jobs, renegotiating their agreement in order to help their company. As I went around the country preparing for the budget and pre-budget consultation, they all said, in Ottawa and in the government, you must do your share and I think, rightly so, we all have to do our share. The Public Service has done its share in the past and I am sure it will do it again.

* * *

[*Translation*]

REGIONAL DEVELOPMENT

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, my question is directed to the minister responsible for regional development in Quebec.

It seems the Quebec Minister of Health and Welfare recently accused Conservative members from Eastern Quebec of sabotaging the forestry agreement, on political grounds. Could the minister perhaps clarify this statement?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I may add that Minister Côté accused Conservative members from Eastern Quebec of doing a very good job, and I think we agree on that score.

In any case, the agreement to which the hon. member referred is a federal-provincial agreement under which $18 million was allocated for R&D in the forestry sector, with funds managed by the federal government. We tried to consult with the Quebec government, which suggested amendments that were turned down by local consultation committees. At the unanimous request of all local consultation committees in Quebec, we have decided to implement the agreement as signed as of April 1, 1991, Mr. Speaker.

[*English*]

PRESENCE IN THE GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of the Hon. Shirley Coppen, Minister without Portfolio and Chief Government Whip, Government of Ontario, and to the Members of the Standing Committee, the Legislative Assembly of Ontario.

Some hon. members: Hear, hear.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is to the government House leader. Would he be so kind as to explain to the House what the business will be for the remainder of the week, and Monday and Tuesday of next week?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, we will continue this afternoon with the budget debate, as well as on Friday and Monday. On Tuesday, it would be my intention to call second reading of Bill C–97, the borrowing authority bill and, quite possibly on Wednesday, I might make that an allotted day or an opposition day. I will be in discussion with my colleagues on the other side in regard to this.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, during the break a committee of the House met on gun control and submitted a report. I wonder if the government House leader is in a position to say whether the government will be bringing back Bill C–80 before the House prorogues, or will that bill die?

Mr. Andre: Mr. Speaker, the hon. member is correct, there was a committee of the House that looked into the subject matter and came forward with a number of recommendations in that regard. Apparently, the Minister of Justice is examining and she will be proposing the proper course to follow, whether it is to amend C–80 to reflect these changes or, perhaps, a more expeditious way might be to bring forward a new bill. The Minister of Justice will be bringing forward recommendations in that regard.

While I am on my feet, before we get to Orders of the Day, I understand there has been discussions with the opposition critics and general agreement that we would revert to Statements by Ministers at this point in time for a short statement from the Secretary of State for External Affairs, followed by statements from the critics of the two opposition parties in that regard.

Mr. Dingwall: Mr. Speaker, there have been some discussions and there is agreement from this side for the Secretary of State for External Affairs to proceed with a statement at this time, a short statement as I understand it, followed by my colleague from Winnipeg and, I assume, that the time will be added on to the remainder of the day and the vote will be taken later than 5.45 this evening.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Agreed and so ordered.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

SOUTH AFRICA

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Commonwealth Committee of Foreign Ministers on Southern Africa met in special session on February 16 in London to discuss Commonwealth policy in light of recent developments in South Africa, including the statement made by President de Klerk on February 1, 1991 which committed the South African government to repeal the remaining legislative pillars of apartheid.

Members will recall that both the Prime Minister and I welcomed the courage and the leadership shown by President de Klerk in making these announcements as we have welcomed the determination of black leaders to work more closely together.

I want to report briefly today to Parliament on the work of that committee which Canada chairs and to seek permission at a later point in the proceedings to lay upon the table a copy in both official languages of the communiqué.

Participating in the committee were Commonwealth foreign ministers from Australia, India, Malaysia, Nigeria, Tanzania, Zambia and Zimbabwe, the Secretary General of the Commonwealth and the former foreign minister of Guyana.

We benefited from the participation of Mr. Thabo Mbeki, Director of the International Department of the African National Congress and Ron MacLean, Canada's Ambassador to South Africa.

The situation in South Africa is changing quickly and profoundly. Many white South Africans, personified by President de Klerk, have re-examined their consciences and undertaken to change not only public policy, but also personal practices and beliefs.

Many black South Africans, particularly Nelson Mandela, demonstrate a generosity and vision that are extraordinary in people so long oppressed. Others, including leaders of Inkatha and the Pan African Congress, are beginning to show flexibility, a willingness to experiment, to compromise. And still other South Africans, black and white, are victims of anger, ignorance, fear.

The world is involved in South Africa precisely because the system of apartheid is so powerful and so deliberate a denial of basic human equality, so singular an instrument of racial prejudice. Just as many South Africans show remarkable responsibility in facing their new challenges, so must the world community weigh and apply our influence with great care. The moral imperative remains: to end apartheid. Now, with change in the air, the question of how we contribute to that goal becomes more complex.

Commonwealth foreign ministers, after extensive debate, reflecting the representative nature of that group, agreed unanimously on a position that recognizes a commitment to real reform, but will only reward actual changes which dismantle the system of apartheid. We believe our strongest sanctions should remain until the system is, effectively, abolished; but that lesser sanctions should be lifted in response to tangible proof of a determination to end apartheid irreversibly.

The committee, therefore, decided to adopt a "programmed management approach" that would reward concrete action in South Africa. The first stage in the program would be reached when the remaining political prisoners are released, when the way is cleared for exiles to return home, when repressive provisions of security legislation are repealed and when the group areas act, the Population Registration and Land Act are repealed.

[*Translation*]

These changes may all be implemented by the next meeting of Commonwealth ministers, to be held in late spring or early summer. At this meeting, ministers will look at the kind of progress that has been made and decide whether there are grounds for lifting certain sanctions such as visa restrictions, the embargo on tourism and air traffic and restrictions on official contacts.

My colleagues and I were afraid that the present security legislation would be a major obstacle to political freedom. We appealed to the South African government to stop detention without trial, to lift restrictions on public meetings and to grant South Africans the universal right to freedom of assembly, freedom of expression and due process of law. The record must show substantial progress on the return of exiles and release of political prisoners by April 30 this year, as agreed in the announcement from Pretoria last August.

• (1510)

[*English*]

The committee also addressed the question of sporting contacts. In future, the embargo on sporting contacts will be treated independently from other sanctions. The committee agreed to be guided by representative sports bodies at South African, African and, in the fullness of time, international Olympic levels. These organizations will provide the signal for the re-admission of South African sports to international competition. Indications are that this will probably take place on a sport-by-sport basis.

The committee agreed that Commonwealth support and encouragement for the unity talks in South African sports organizations are a high priority.

In order to support the process of negotiated change, the committee further agreed to provide constitutional expertise and funding for research and conferences which will contribute to the birth of a new, non-racial and democratic South Africa. For its part, Canada is providing $1.8 million in 1990-91 and has earmarked $2.3 million for this purpose next year. Canada has also committed $5.8 million to assist with the return of exiles and released political prisoners.

The committee also welcomed the interim report of the Expert Group on Human Resource Development for a Post-apartheid South Africa, which the Conference of Foreign Ministers established at our Abuja meeting. That committee is chaired by a Canadian, Mr. John Harker. We endorsed the expert group's call for an enhanced Commonwealth program of training and work placement to prepare black South Africans to take senior jobs in a post-apartheid government.

The meeting demonstrated the continuing unity of purpose of the Commonwealth. The concept of the "program management approach" marks an important policy development for the Commonwealth and for the international community. Sanctions have been crucial in bringing about the changes that have occurred to date, and will go on being crucial if the destruction of apartheid is to be ultimately assured.

South Africa is starkly different from what it was. There is a long way to go. Canada has played a steady, constructive role in moving that change forward, and we intend to continue on that course.

With the permission of the House, I would like to lay upon the table a copy, in both official languages, of the concluding statement of the committee which met in London on February 16.

The Acting Speaker (Mr. Paproski): Does the right hon. gentleman have permission to lay that on the table?

Some hon. members: Agreed.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, first, I would like to thank the Secretary of State for External Affairs for presenting this statement to the House. It comes at an important time. It is worth observing that, for the past several months, we have all been quite obsessed and preoccupied with the events in the gulf and perhaps have not given the importance to other international events that have been taking place.

It is important that this House, which over the years has expressed a strong interest in the issues of South Africa, in general part, has provided consensus on the approach to be taken. I think virtually all Canadians have had general support for the thrust and direction that have been taken by successive governments toward the actions of South Africa. It gives us an opportunity to make a brief re-examination of the circumstances that now ensue as a result of the quite important statement that President de Klerk offered on February 1.

In this, I would like to join the Secretary of State in also congratulating the de Klerk government for the initiatives that they are taking. In some ways, they are courageous.

We know that there are very strong political forces in that country that are railed against the present government and are trying to impede that progress.

Equally, I think we must congratulate the efforts being taken by Nelson Mandela and the African National Congress and the way they are changing their own policies. I think we are all encouraged by the recent meeting between Nelson Mandela and Buthelezi in terms of coming together to provide a more common front in South Africa to allow some kind of progress toward reform in which the black majority of South Africa can work in a more directed way.

Also, I think it is important to pay some tribute to the many Canadians, particularly those in the churches and non-governmental organizations who over the past several years have maintained this as an issue of priority and have provided, as we all know, a continuing sense of encouragement and support for the actions in Parliament.

I think they can begin to now see some fruits of those long years of struggle when it looked like no progress was being made. In fact, I think we can say that two or three years ago, anybody in this House who would have predicted a South African government making the announcements about the changes in the apartheid laws that were made on February 1 would have considered it to be impossible.

The predictions at that time were that we would be facing a horrible feeling of violence and racial conflict. It looks now that there is a good chance for a peaceful transition, not an easy one—it will not be easy—but at least a peaceful one.

Again, we want to offer our continuing support as the Official Opposition to any efforts that can be made both to the Commonwealth Foreign Ministers and the very important work that they are doing.

It is my own belief that the Commonwealth Foreign Ministers group is perhaps the most important group dealing with the issue of apartheid at the international level.

I would hope that the Secretary of State, because he is chairperson of that group, might use that position to also make the views known directly to the European common market ministers, who were meeting at about the same time, about the need to follow what they called their "plant management approach". I think it is very important that this area work in concert.

If I might be allowed just to still raise some words of caution. Time is running out. We know that there must be a constitutional meeting by 1991 and I believe the mandate of the de Klerk government begins to run out by 1994.

If significant changes are not taken and we do not encourage those changes then we might find ourselves in a position where all the progress that has been made up to now will be lost. It is very important that we consider the kind of dilemma that the Secretary of State has offered.

How do we, in fact, maintain the constant pressure of having applied sanctions over the years and at the same time provide encouragement? It is an extraordinary act of international skill and diplomacy that we maintain this balance.

In this case, Mr. Speaker, if you will give me a small moment's indulgence to comment on sanctions themselves—it is a topic much discussed in this House for the past several months—I think the Secretary of State himself has recognized sanctions can work and can be effective. They have worked in the case of South Africa, not with the speed of military action but certainly without the kind of side effects that we have seen so dramatically displayed.

It is important to recognize that because sanctions must not be discarded. They are an important tool in the arsenal of the international community coming to deal with things of the serious nature of both apartheid and of aggression. I would hope that we would sit back and reflect more carefully about how useful and effective sanctions are.

In that case, we agree with the approach being taken, that the existing economic sanctions must be maintained until we see action taken to underline the words. We support that and will continue to give the government support in that area.

I would like to make, if I might, a major recommendation to the Secretary of State that he could communicate to his colleagues. We think it is also important at this time that a serious review be done in Canada about what has taken place in South Africa, and in particular, what kind of criteria or steps would be taken to further induce, encourage or support the reforms that are under way.

I think the Standing Committee on External Affairs might be the proper body, so it would not be just an inside decision of the minister and his advisers but would give Canadians an opportunity to come and be heard and to make their cases in terms of the direction they would like to see the future Canadian government policy take, as this is a crucial area.

I would strongly urge the minister to communicate with the standing committee chairman, as we will, that this kind of review be undertaken as one of the priorities so that when he goes to the meetings on April 30, and perhaps to the First Ministers' meeting in Harare, he can carry with him and the Prime Minister the full weight of a general basis of Canadian opinion and they can express it at that point in time.

• (1520)

I have one other point to make, if I might, Mr. Speaker, before I leave. I would like to offer an observation. One of the unique and important contributions that Canada has made in the whole debate over South Africa has been the support for the front-line states. I think we, among many other countries, have given special attention to their needs. What we must do now is realize that their needs are even greater.

In talking just recently to one of the ambassadors of the front-line states, he told me that his own country since the inception of the gulf war has suffered a net income loss of $800 million and that that kind of experience is repeated in the other front-line states, in fact in virtually all the African states.

It is very important, therefore, that when we come to the question of how we deal with the economic consequences of the gulf war we recognize that there is a host of nations—front-line states of Africa among many others—that are suffering deeply and terribly as a consequence of this war. It is going to be a real

responsibility and obligation of countries like Canada to come to grips with how do respond.

I say that with great sadness, looking at the budget of Tuesday. It is again a further restraint or restriction on our ODA budget. It does not give us the kind of manoeuvring room or the kind of resources we need. I also look at the kind of negative response that was given by the government to the committee report on Third World debt, wherein the recommendations were virtually all rejected.

It would have been another important way in which we could be moving to provide a more active and positive source of relief for those states. That is even more important now as a result of the war. I do not think the war is the only pretence, because the problem was always there.

I would again urge the Secretary of State for External Affairs, who in the past has shown particular leadership in dealing with the front-line states, to recognize that they now face even more serious problems than they faced six or seven months ago.

In that case we would say there is a lot of work yet to be done. We in this Parliament can help this government to provide that work both by using the full resources of Parliament to help develop the future policies which the minister can use to advise his Commonwealth colleagues but also to come to grips with the continuing and enfolding tragedy of some of these states, both in those related to South Africa and in the entire African continent, that are facing very troublesome and difficult times.

We appreciate the opportunity to make this statement and to say to the minister that we hope to be able to continue to work with the government not always in concert with his views, but certainly with the general thrust that we must have apartheid come to an end, and the sooner the better.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I am pleased to rise on behalf of my colleagues in the New Democratic Party to express our strong support for the Commonwealth foreign ministers' decision to maintain sanctions against the South African regime.

I also want to signal the contribution that the Secretary of State for External Affairs has made in his role as the chairperson of that very important and crucial body. I also want to associate myself with the remarks of the member for Winnipeg South Centre with respect to the very difficult situation facing the front-line states. My hope is that our government will recognize that and will continue to provide the kind of support they so desperately need, particularly in light of the developments in the gulf.

I was also pleased to hear the remarks of the member for Winnipeg South Centre with respect to the importance of sanctions. Unfortunately it was not until the mid-1980s that the Government of Canada finally took the step of enforcing firm and effective economic sanctions on South Africa. I very much regret that predecessor governments did not take that important step, that they allowed South Africa to continue its system of apartheid without in fact implementing those kind of firm sanctions that should have been implemented long before the mid-1980s.

We in the New Democratic Party share the view of the African National Congress, the Organization of African Unity, the African Commonwealth States, and human rights groups here in Canada and South Africa that while the South African government has made important preliminary steps toward dismantling apartheid, the foundations of this repressive and racist system remain untouched.

I want to join in commending the Canadian NGOs that have been so active in this area, the many individuals who have worked hard through the voluntary fund and elsewhere for these long overdue changes.

As one of those individuals representing a very important organization, Anne Mitchell of the International Defence and Aid Fund for South Africa, recently wrote: "Repression continues. South Africans continue to be detained and imprisoned, harassed, tortured, and even killed because they are known to oppose a system of apartheid".

There were more political trials in 1990 than in 1989 despite the reforms which have taken place. Political prisoners remain in jail. Political exiles remain outside their country. Repressive legislation remains on the statute books.

I would note that it is not just a question of legislation, but issues such as housing, education, training, literacy, unemployment and health must all be addressed in South Africa as well. The fact, for example, that the per capita spending on social services in the last year, in 1990, was five times more for whites than it was for blacks in South Africa.

I would hope that in a new South Africa, in a democratic South Africa, there would be a major commitment to attacking the desperate poverty of blacks, the fact that some 70 per cent of blacks live below the poverty line, by addressing the inequitable distribution of both land and wealth in that country.

The Secretary of State for External Affairs is well aware also of the serious concerns that have been raised by Amnesty International on the question of the existing security legislation and abuses under that legislation in South Africa. Indeed, at the current meeting of the 47th session of the United Nations Commission on Human Rights, at which Canada is very ably represented by Ambassador Reynell Andreychuk, serious abuses of human rights were documented by Amnesty International. I would hope that they would continue to be addressed vigorously by our government.

We believe that the existing sanctions must remain in force until President de Klerk has fulfilled his promise to release the remaining 2,500 to 3,500 political prisoners who are held in South African jails and to allow the some 40,000 political exiles to return home freely.

As well, South Africa's strict security legislation must be revoked, particularly the Internal Security Act which provides for detention without trial and the banning of public gatherings. Most important, existing sanctions must continue until blacks are guaranteed full democratic rights in the South African Constitution; in short, until there has been irreversible change in the evil system of apartheid.

We support the concept of a constituent assembly. I would commend to the South African government, as I am sure the Secretary of State for External Affairs would, the experience in Namibia which I think is quite relevant in this context. Long before the convening of a constituent assembly in Namibia, all of the political parties in Namibia were able to agree unanimously on constitutional principles and later, even during the heat of their election campaign, they again agreed unanimously on a code of conduct. I would hope that that kind of example is one that would be followed by South Africa.

I would hope as well that they would address the homeland system, which is an expression of the system of apartheid and some of the measures that are taken to ensure that all people of South Africa, including those in the so-called TBVC states, participate fully in the future of their country.

While we commend the Secretary of State for External Affairs on his recent important work at the Commonwealth conference, we strongly encourage him not to abandon Canadian sanctions until all of these conditions have been met.

I would suggest in closing that we owe nothing less to the black majority of South Africa, to their courageous leaders such as Nelson Mandela, and to the memory of all of those who have died in the struggle for democracy, for justice and freedom in South Africa, including Steve Beeko imprisoned in 1977, those who died at Sharpeville, those who died at Soweto, and those who continue to die until this evil system has finally been eradicated.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government; the amendment of Mr. Gray (Windsor West) (p. 17722); and the amendment to the amendment of Mr. Langdon (p. 17725).

The Acting Speaker (Mr. Paproski): The hon. Associate Minister of National Defence has the floor. She has four minutes, plus ten minutes questions and comments.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, before Question Period, I was just talking about the impact of the budget on the Department of National Defence. I would just like to conclude those remarks by indicating that the costs of our operations in the gulf have been running about $105 million a month. We have absorbed much of that within our regular budget. We did have a supplementary estimate in the fall, about one-third of which was directly related to the operating costs in the gulf.

In this budget there is provision for $600 million to look after some of our costs, some of which will be incurred in this fiscal year, but not paid for until the following year. We also anticipate there will be some continuing costs over the period of time.

• (1530)

I have already heard from colleagues on both sides of the House that perhaps that money will not be needed and that they want it for their particular programs. I can assure you, Mr. Speaker, that DND will be using that money as frugally as possible. Any remaining, however, will be going back to reduce the deficit, not for any individual programs that members might promote. I want again to assure that we do have the funds to look after the men and women, the equipment and the transportation that will be required during this period.

Finally, coming back to the budget, I think all members of this House, no matter which side of the House they are on, would want to congratulate the Minister of Finance. What he has done is walk the very fine line required in this time of recession. We know that times are tough, and we know that many Canadians are suffering in one of the worst economic downturns in years.

But in responding to those troubled economic times, the Minister of Finance has avoided hampering our economic prospects for tomorrow by imposing band-aid solutions. He has responded, first of all, by helping those Canadians who are hardest hit by the recession but, more important, he has positioned us for an economic recovery that will take advantage of low interest rates, low inflation, and new opportunities for Canadians.

Who will benefit as a result of this budget? All Canadians will benefit. As we emerge from the recession with stable prices, with government spending under control, perhaps the greatest beneficiaries will be future Canadians, our children. They will thank us for taking strong measures now to reverse the mistakes of the past and pave the way for tomorrow's opportunities.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I have some questions for the associate minister, which arise from her comments about defence spending and the budget.

I personally was a little confused about comments in the budget that came down yesterday. I went back to the expenditure noted in the 1990 budget to find that last year we had budgeted under defence $11.87 billion and for 1991-1992, this year, we were to have an expenditure of $12.46 billion. In the budget that came down this week, we see the budget for this year instead of $12.46 is $12.7 billion. However, we did have in Supplementary Estimates, a vote which increased the defence budget to cover the costs of the gulf war.

Repeatedly I have asked at the joint meeting of external affairs and national defence, which has been sitting while the House was adjourned, about the cost of the gulf war. I have heard the minister of defence say that all the funds that were voted in the expenditures in December covered all the costs of the war up to and including the end of March 1991. But when those Supplementary Estimates were voted in December, we were not at war at that time. We know that we have had additional costs since then. He assured me that all those additional costs were included in the Supplementary Estimates.

My confusion is: if they estimated that was to cover us up to the end of March and we are presumably today, thanks be to God, seeing the end of that war in the Gulf, I cannot understand the need for $600 million in addition to the regular budgeted additional funding to defence this year. I wonder if the deputy minister could explain that, please, the associate minister.

Mrs. Collins: Mr. Speaker, the hon. member has the same difficulty many people have. It is the associate minister. The deputy is of course our very fine deputy, Mr. Fowler, who gives us excellent advice on so many issues related to defence.

Just to bring us back to what we are talking about in the defence budget, we have received 5 per cent nominal growth in the defence budget, this year over last year. That is not including the $350 million. That did not become part of our base, Mr. Speaker, so you take our old base and add 5 per cent. There have been some adjustments because we no longer have to pay GST. That

came out of the budget, but we basically have $12.8 billion for the coming year.

The $350 million which was allocated in the Supplementary Estimates was not all for gulf related expenses. There was expenses for Oka in that, $16 million; some for the operations in the gulf; and some for capital. For example, $100 million was for the acquisition of the additional Hercules aircraft, the transport aircraft. Some of the additional $600 and million will also probably go toward that capital will be required, but there will be expenses that will flow into next year. We have incurred expenses that I am sure will not get paid for until the coming 1991–92 fiscal year, and the expenses have been going up.

The deployment of the field hospital was not taken into account in our earlier estimates, so our costs have risen, running now at about $105 million a month. We have been accommodating about $70 million of those in our regular expenditures and about $35 million we are looking to come out of the additional allocations. All the bills are not in; it is hard to say. We do not know what the costs are going to be to bring our people home or how long they are going to be there. The hospital, for example, might stay for a period of time if there is a need for it, if the British or others require it. There may be a need for the ships to remain for a period of time.

Really until we see how things unfold at the UN Security Council, what the future is going to be, it is a little hard for us to predict what those kinds of expenses are going to be. But we will be monitored on the $600 million. We are not allowed to spend it on just ordinary things. They are going to make sure that it is used for its purpose. What we do not spend goes back to reduce the deficit.

Mr. John Brewin (Victoria): Mr. Speaker, I have a couple of questions for the associate minister. The first springs from, of course, the effect of the end of the gulf war for which we are all, no matter what our differences on how we arrived there, grateful. All of us have also shared a great admiration for the professionalism and competence of our forces there. We differed on the instructions the government should have given them, but we supported their role in the sanctions and supported them in their professionalism and on the work they have done.

There is now the question of what happens next. The *Huron* is half way there. The *Restigouche* has orders to sail on March 5, which is coming up very quickly. The people of our area, greater Victoria, are obviously very concerned as to whether the orders will change as a result of the outcome of the war. The government, it seems to me, owes it to the families and to those who are on board those vessels to make an immediate decision as to whether those orders should be changed or whether they should be confirmed.

Let me say that the situation is such that it would seem to me imperative that the government not only review the orders quickly, but in fact make a change in the orders. Our forces would no longer face an enemy that is armed and equipped to attack the naval forces in the gulf.

Sanctions may be continued, presumably for a relatively brief period of time, in order to enforce the remaining UN resolutions, but sanctions will not require a significant military force from countries outside the gulf in order to enforce those sanctions. The naval forces of Bahrain, Qatar and the other countries in that region are entirely capable of enforcing the sanctions in the current situation.

We would call on the government to make an immediate decision, to bring our forces home and to reverse the orders given to the *Huron* and the *Restigouche*.

Let me ask one other quick question. Our forces who served there, all of our forces who served there, served in a very dangerous situation. Our CF–18 pilots actually were in effect in combat, and our naval forces worked under the threat of Iraqi missiles and planes.

• (1540)

The war veterans legislation provides that veterans of other wars be given pensions under that legislation. It will require an amendment to the legislation to cover the veterans of the gulf war.

I would ask the minister to make a commitment on behalf of the government, that legislation will be introduced to provide that those who served Canada in the gulf be treated as veterans of other operations.

While the minister is on her feet, would she also make a commitment to those who have served in peacekeeping, because they too have served Canada in a dangerous and risky situation?

Mrs. Collins: Mr. Speaker, there are a number of questions there.

First of all, I believe it would be imprudent to make decisions today about the arrangements for our ships until we know the outcome of the Security Council deliberations which are going on as we speak. Until we know for sure that there will be a permanent cessation of hostilities and until there has been some agreement on what the future regime is going to be with respect to sanctions or continuation of any kind of a presence, we want to continue to be ready to deal with the rotation of our ships. The *Athabaskan* and the *Terra Nova* have been there. We have committed that we are going to bring them out as quickly as possible.

If for some reason there should still be a need for a Canadian naval presence over the next couple of months, we would want to make sure we had our other ships there so the *Athabaskan* and the *Terra Nova* would be relieved and be able to come home, as we have promised them.

At this time, we have, in fact, told the *Huron* to continue on its voyage. We are, of course, reviewing the situation. Our senior military advisors are in touch with our commanders in the field, with the members of the other coalition forces to assess just what should happen and will make other decisions relating to these matters as quickly as possible.

Until we have all the facts, until we have all the information, I think it would be foolish to make precipitous decisions.

I might say that from my understanding, the sailors ready on the *Restigouche* probably want to go. Even if they got down to Hawaii and had to come back, I think they would probably prefer that rather than staying in port.

Mr. Stan Wilbee (Delta): Mr. Speaker, I would just like to take this opportunity to congratulate my colleague from British Columbia, the hon. minister, particularly for the clarifying comments she has made.

We both know that the B.C. government has been very critical of the federal government for the fact that we don't have a balanced budget such as the one they are so proud of in British Columbia. Yet we have been making real progress, I think, in this budget to come to a balanced budget. Mr. Vander Zalm, has continued to be extremely critical of the federal government.

I was just wondering if the minister could clarify for Mr. Vander Zalm why this budget is such a good thing, not only for Canada, but particularly for British Columbia.

Mrs. Collins: I would be pleased to reply to my hon. friend from British Columbia.

I know that in British Columbia they often enjoy fed–bashing. I am not particularly keen on provincial–bashing. But I must say that in this instance, the premier is wrong. This budget is good for British Columbia. After all, British Columbia's economy is based on trade and a viable, vibrant economy and low interest rates, low inflation, which are absolutely critical to the expansion of the economy of British Columbia. Those are the kinds of initiatives we are undertaking.

The initiative in this budget to legislate spending limits is the kind of thing I would expect the province of British Columbia to applaud. It would seem to be consistent with their philosophy. The provisions in this budget to set up a special fund into which the net revenues of the GST will go, guaranteeing that they will go to reduce the deficit, not for other programming expenditures; a fund to which the profits from privatization will go; a fund to which individuals can contribute to help reduce the deficit. These are the kinds of measures that the province of British Columbia should be applauding, because they are the kinds of measures that will ensure that we have economic growth and that we have the entrepreneurship flourishing in British Columbia.

One other thing. Just prior to the budget I had the pleasure of announcing in Vancouver, that my colleague, the Minister of Finance, was approving amendments to the Income Tax Act which would allow for the establishment of international maritime centres. This is something the province of British Columbia has been asking for and something I have had the honour, as the minister responsible for the Asia—Pacific initiative, to work on over the past two years. That initiative by my colleague, by this government, is going to result in a considerable number of jobs, some of which have already been announced this week when the first company announced it is moving its mine and management operations from outside Canada to Canada, to Vancouver, bringing 80 jobs. That is one week. We have lots more to come.

The Acting Speaker (Mr. Paproski): The hon. member for Kingston and the Islands has a minute and a half if he would like to ask as very succinct question, and then I will recognize the hon. member for Winnipeg Transcona on debate.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I would be delighted to make a succinct comment to the minister. I listened to her speech with some interest. She talked about the dreadful deficit situation that this country was in, which she of course neglected to mention was the fault of the government of which she is a member, which has doubled the debt in the last six years. In fact we are going to hit $400 billion sometime during this financial year. It is a shocking statement of the government's abdication of responsibility; it keeps trying to shuffle it off as though it was the fault of someone else.

I am glad to hear the minister talk about her conversion to this necessity for restraint on government expenditure. But I would like to ask her why it is that the Minister of Finance who has been in office after all now for six or seven years—this is the seventh budget—and he talked about the need for restraint in year one, why it is that his policies have been such a disaster for Canada? If he believed in restraint from the beginning as he says he did, why did he not impose this restraint at the beginning and solve the problem we are now faced with and that is continuing?

I note that the deficit has gone up this year. It is going up again next year and he does not seem to be doing anything constructive to bring that figure down.

Mrs. Collins: Mr. Speaker, I could go on at length on this, because we have. Do you not recall that in 1984 we inherited a deficit of $38 billion? We brought it down to below $30 billion. We have made real progress in terms of reducing the deficit in some difficult times. We have had marvellous economic growth through these years to the extent that we are one of the leading countries in the OECD.

I am delighted that the member is now talking about restraint. Perhaps his colleague, the Premier of New Brunswick, who talked about how governments must conduct themselves like private citizens: borrow if necessary for capital assets like your home, but pay as you go for current expenditures like groceries, that is the kind of approach this government is taking. I wish the Liberal Party—it is not reflected in his leader, or his deputy leader, and their comments in this House. Perhaps he might heed the Premier of New Brunswick and understand that this is the kind of initiative—

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate, the hon. member for Winnipeg Transcona.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, it is always interesting to hear Liberals and Conservatives arguing with each other about who has responsibility for the deficit. It is like two Mafia families arguing with each other about who has been able to commit the most robberies in their respective jurisdictions.

The fact is that the deficit owes its origins to the policies of both of these parties over a great many years.

This is a budget allegedly preoccupied with addressing the problem of the deficit. This is a budget which calls in glowing terms for all Canadians to do their part. But the big corporations that finance the Conservative Party and that financed the promotion of the free trade agreement have emerged unscathed and unchallenged. They apparently are not part of the larger Canadian community that is called upon to face economic reality and pitch in.

Yet everyone else is being called upon to contribute to a debt problem that has its origins, as I said just a few minutes before, in the tax breaks that these same people, these same large corporations, received over the last 15 years, many of which—that is to say these tax breaks—had their origins in the policies of Liberal governments.

This budget eliminates not a single such tax break. So the rich will continue to get richer, the poor will continue to get poorer, and middle-income Canadians will increasingly be taxed until they, too, are poor.

The boys over at the Business Council on National Issues will be breaking out the champagne. Others, and not them, thank God, are called upon to help their country. Oil companies whose profits have risen since the gulf war also get off scot free while working Canadians are asked to pay more taxes to help pay the cost of other working Canadians fighting in the gulf.

• (1550)

Average Canadians are to suffer a tax hike through increases in Unemployment Insurance premiums, a measure that will also hurt small businesses.

The unemployed, themselves, see their job creation programs chopped: $100 million from the Canadian Job Strategy.

Those who could benefit from new social housing see that program cut back.

Provinces are hit with the next stage in the step by step withdrawal of federal commitment to cost-shared programs and by the limiting of deductibility of provincial payroll and capital taxes. A revenue neutral measure, so the Minister of Finance says, that could therefore only be vengeful in nature and hardly a contribution to national unity. And all Canadians who use provincially administered services like health care will become the victims of further cutbacks in their respective provinces.

Meanwhile, the rich will continue to be able to afford to send their children to private schools to avoid the effects of cutbacks in education. They will continue to be able to fly to U.S. hospitals to avoid waiting lists for surgery in Canadian hospitals increasingly overcrowded and burdened because of under-funding owed to the fact of federal cutbacks in EPF.

And, in between, they will also be able to enjoy the over-all fact that their debt burdened country is still not asking them to contribute in the form of a truly progressive income tax system, in the form of increased capital gains taxes, in the form of wealth taxes, or heaven forbid, not being able to deduct their business lunches.

They may also take comfort in the fact that the dividend tax credit remains and that the corporations that many of them work for or own will continue to receive the subsidy of the 5 per cent federal sales tax credit, the subsidy for business lobbying and other political activities and the subsidy for Canadian multinationals investing overseas.

Nor will they have to fear the dreaded minimum corporate tax. Real estate developers, in particular, can relax and continue to enjoy all the breaks that enabled so many of them to become millionaires at taxpayers expense.

These people, all of them great critics of the welfare state, but not a peep out of them when it is they who have their nose so deep in the public trough.

A budget truly committed to deficit reduction and burden-sharing would have asked the corporate sector in this country to put up or shut up about the deficit. Indeed, there were some indications prior to the budget that the business community was asking for it, that they were asking to be asked to contribute, but they were not.

Instead, we have a budget that by its own words is more committed to "tax competitiveness" than "tax fairness".

Unfortunately, "competitiveness" is the euphemism employed by Conservatives for the growing immorality and unfairness of our tax system, recently capped of course, by the GST.

One can only suppose that the tax system in various military oligarchies, like Guatemala, where income tax itself is seen as radical, is the ideal of tax competitiveness to which good Conservatives aspire. The long-range goal of the hemispheric free trade agreement makes this more than just political rhetoric. Not for the Conservatives, the many European examples where social justice and competitiveness have gone together.

If a budget is more than just a tool for managing the economy, if it is also a statement about the values that inform the organization of that economy, then this budget is a failure on both counts.

I am glad to see the Minister of National Health and Welfare in the House because he said he did not want to miss the speech and I can understand that because I hope to talk about the whole question of Established Programs Financing and the future of medicare and, perhaps, while he is here I will have the opportunity to engage him in conversation about that.

I think what is happening to Established Programs Financing and to the programs which it it intended to finance, i.e. medicare and post-secondary education, is indeed worthy of all the rhetoric which has been used to describe the government's budget in the last few days.

The problem is that there is no one decision which, in itself, is the end of medicare. It is a bit like the story of the frog which will allow itself to be boiled to death if you simply turn up the heat one degree at a time. There would be no point at which the frog feels the increase in the heat enough to jump out of the boiling water. Yet inevitably at some point, the frog will be done so to speak and dead.

This is the case with those programs in this country which are being, over time, step by step, starved to death by the federal government. This process started not with the Conservatives but with the Liberals in 1982. It was former finance minister Allan MacEachen who was the first finance minister to unilaterally change federal–provincial fiscal arrangements.

The last time the federal–provincial governments agreed on this sort of thing was in 1977. I see the hon. member for Mississauga here. He will know what I am talking about. It was in 1982 that the Liberals unilaterally changed and cut back on federal transfer payments to the provinces under the rubric of the established programs financing, a move which at the time was denounced as the most dastardly deed possible by the Conservative opposition.

Yet unfortunately, what the Liberals did at that time set a precedent which has been followed religiously, and not just at the five year intervals of renegotiation, but in almost every budget, of unilateral cutbacks to federal transfer payments to the provinces.

There is no point at which in cutback after cutback after cutback we can say: "This budget kills medicare." What we are able to observe from 1982 onward—and an inescapable fact is that for most of the years since then the Conservatives have been in power—is a trend which if not stopped and reversed will eventually lead to the destruction of medicare as sure as I am standing here.

One cannot expect the health care system to be carried by the provinces, which are being asked to carry a larger and larger share of the burden. The share that the provinces have been asked to carry has grown. They may have benefited in the late 1970s and the early 1980s, but from 1982 on and particularly from about 1984, their share of the burden has been increased and their ability to carry the health care system has been affected.

What will be the results of that? Eventually, people will try to find ways; that is, provincial governments will try to find ways to supplement the reduction in funding and particularly if they are Conservative provincial governments, they will look for various ways of getting private money into the system.

That will happily coincide with their ideological views in the first place because many of them have a philosophical objection to medicare. And so we see everything falling into place, not to mention the effect of the free trade agreement in the long term on medicare.

One must do some analysis to see all this, but it is there. That is why I feel no intellectual or political embarrassment whatever in getting up and saying: "This budget is part of the end of medicare." Not tomorrow, not even next year, but it is part of a process that will eventually lead to the end of medicare. I rest my case with respect to that because I have other things I want to say.

• (1600)

I want to go back to the question of tax loopholes.

It seems to me that this is the glaring economic and moral flaw in a budget which calls upon everybody to sacrifice, that not one single sacrifice is asked of the corporate sector in this particular budget. Not only that, there are more benefits to come for the corporate sector. Just the other day, the Minister of Finance released draft legislation with respect to providing a capital gains tax exemption for people who have had their money tied up in trusts over this 21-year period that began in 1972 and which ends in 1993. The government has brought in draft legislation which proposes to extend the 21-year exemption for the taxation of capital gains from trusts until the last beneficiary of the trust dies. Under current rules, the government would have collected billions in revenues from trusts starting in 1993.

The current legislation, implemented in 1972, requires trusts to include in their income capital gains every 21 years. This legislation would allow the trust to extend the 21-year exemption, as I said, until the last beneficiary dies. The billions saved by trusts would be a gift to the top 1 per cent of wealthy Canadians who benefit from these trusts.

This exists at the same time as all these other measures in the budget which scapegoat people who work in the Public Service, the unemployed, and a variety of other people, and make them out to be the cause of the deficit. One of the causes of the deficit—a principal cause of the deficit—is the tax expenditure account that government after government refuses to significantly change.

I see the member for Mississauga South. He will recall that in 1979 when the Conservatives came to power, they released a thing called "The Tax Expenditure Account", because they had promised to do that. They have not done it since. They were then defeated and they were out of power for four years. When they came back, they decided that maybe that was not such a good idea. I don't know why.

The fact is that in 1979 the tax expenditures—that is to say, that money which could have been collected in the form of taxes but which was not collected—amounted to $32 billion. And the deficit for that year was $14 billion. So, at that time what the government did not collect in the form of tax expenditures, loopholes, shelters, super depreciation allowances, write-offs, was twice what the deficit was for that year.

It is those kinds of policies, cumulatively, which result in the fiscal situation that we find ourselves in now. I think if the government were serious about the deficit, it would get serious about closing some of these loopholes.

Surely to God, there is no reason on earth why we have to maintain something like the business and entertainment tax loophole. Many other industrialized countries of the world have done away with this, and their economies did not shrivel up and die. Many other industrialized economies in the world have wealth taxes; their economies have not shrivelled up and died. Many other countries in the industrialized world have more progressive income tax systems than we do, and they have not shrivelled up and died; in fact, many of them are more prosperous than we are.

So, I think that the government, if it is really concerned about the deficit, should look to asking those who have, and have in abundance, to pay in abundance in order to bring down a deficit that owes its origins to their abundance in the first place.

Mr. Speaker, I see you waving your finger at me. Twenty minutes goes by very fast.

Mr. Tremblay (Lotbinière): And you said nothing.

Mr. Blaikie: Somebody over there said that I did not say anything. I don't think that person was listening, Mr. Speaker, because what I have done is go over a variety of things, concrete loopholes that the Minister of Finance could have closed. The Minister of Finance is always saying: "Come up with suggestions". We have come up with suggestions. Year after year we have made suggestions, but those suggestions are not heard. Why are they not heard? Because if those suggestions were implemented, the people who run the Conservative Party of Canada and who run this country would not be very happy. The people down at the Business Council on National Issues or at the Canadian Clubs and the Carleton Clubs and all the other clubs where decisions are made about the country, they would not be very happy. Maybe the Tories could not go down there for lunch any more. They might have to go to some cafeteria somewhere and eat with ordinary folk.

I will not believe that the Minister of Finance is serious about deficit reduction until he hits these people. Until he does, I believe that the Conservative Party is using the deficit as a political cover for doing things that they would ideologically prefer to do in the first place.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I welcome the member for Winnipeg Transcona in the finance role he has now taken on. It would be wonderful if he could come to the finance committee meetings and go over tax expenditure hearings and give us some excellent advice.

The tax expenditure material is available. The finance committee did major studies on that at the time of the last major tax reform on income tax, going over every particular allowance to see what could be done to reduce any tax expenditure and I did not hear any great suggestions coming from him or his members or the member on the committee, his House leader, at that time. But perhaps he could get together with his House leader and find those various ideas.

Really, what he has said is that we should have no deficit. What we ought to do is make the rich pay. That is the kind of argument I heard once in an election from a Marxist-Leninist candidate. I was wondering if the member would like to define to this House who are the rich. How much more would he want us to increase taxes for those earning $28,000 a year, for those earning $58,000 a year? How much more would he want to put on their backs? Would he be specific? Make the rich pay. Well, who are the rich and who should pay? Give us the names, give us the people. What are the rates?

Let us not have any more of this ballyhoo, let us have the rates.

Mr. Blaikie: Mr. Speaker, I find it amusing to have the member for Mississauga South accuse anybody else of ballyhoo, because the one thing he could have done when he got up would have been to have answered the long list of tax loopholes I pointed out that the government has not changed. But he never chose to comment as to why the government did not close them down. In the same way the Minister of Finance responding to me yesterday in the House only chose to debate me on one point and completely ignored all the rest.

It simply lacks all credibility for the member to get up and suggest somehow that I might regard people who make $28,000 a year as in the category of the rich. If the finance committee has done even a fraction of the study that the member claims, he would know just how ridiculous a claim that is.

The member knows to whom I am referring. The member knows absolutely and perfectly to whom I am referring. He knows about all the large profitable corporations in this country that pay absolutely no taxes at all on the corporate side. He knows that his own party has reduced a number of categories in the income tax system that results in a case where somebody making $60,000 a year pays the same amount as somebody making $600,000.

Perhaps the member could get up and tell us why he continues to defend real estate developers who receive all these tax credits for write-offs, for mergers and take-overs and all these sorts of things. Why is he a defender of the paper economy by which so many people have made millions by doing absolutely nothing over the last 10 or 15 years?

• (1610)

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, the member has commented on how there are countries as prosperous or more than ours but nevertheless, for example, tax wealth. They tax some of their well-to-do people much higher on income tax than Canada does and yet he says those countries have not had their economies shrivel up.

The kind of taunt that is very often tossed against the member or others who make that comment is that the wealthy people if they were taxed at all according to their ability to pay would simply run away to another country and take all their wealth with them.

I would like the hon. member to comment on the conduct of this country for the years during World War II and for two or three decades after when the tax rates were much more fair regarding people's ability to pay, how this country fared in those days and whether the wealthy people ran away from this country then.

Mr. Blaikie: Mr. Speaker, I thank the hon. member for that question. He points out that the balance which used to exist in this country between the tax burden which was borne by the corporate sector and the tax burden which was borne by individual Canadians has disappeared. The burden on individual Canadians has risen, both in the form of incomes taxes and also in the form of consumption taxes, the latest incarnation of that being the GST, and the burden on the corporate sector has gone down, down, down, down until it has almost gone off the graph.

The question concerning whether if we were trying to reverse that, that people would leave, is interesting—that is to say rich folk would leave, because poor people generally have to stay where they are, and generally they are more dedicated to their country anyway because they have not been brought up in private schools where they learn to be dedicated to money rather than to countries or to society.

The fact of the matter is that if there are any Canadians here who think that the tax system would be enough to make them move to another country, then I have only one thing to say to them: "good-bye, good riddance, get lost, go somewhere else," because we can build a country without those kinds of people. In fact, we can build a better country without those kinds of people.

The fact of the matter is that if we were willing to enter into a long-term investment strategy to build up infrastructure in this country, technological capability, skilled worker capability and research and development, we would to create a certain kind of country that people would want to live in, work in and invest in anyway. This is what is called in a recent article in the *Atlantic Monthly* by Robert Reich "the virtuous cycle" rather than the "vicious cycle" which this government has got us into by trying to lower wages, not spend on infrastructure, and attract foreign investment. But when you lower wages

and you do not spend on infrastructure, things get worse, people are not willing to invest, then you figure you have to lower wages one more time. You get into this downward spiral of degrading your own country, socially, economically and environmentally.

I would recommend to the government that it have a look at that article and consider getting out of the vicious cycle it is in now and get into what Mr. Reich has called "the virtuous cycle", which I think other countries—not the United States—but some European countries have been in for a long time, where they do not have a problem in attracting foreign investment because they have created the kind of skilled work force and technological adaptability and other forms of social benefits and strengths that make people want to invest and live there regardless of the fact that they have to pay taxes in order to create that kind of society.

[*Translation*]

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. parliamentary secretary to the Minister of Finance.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, forgive me for kneeling like this on my seat, but it is the best I can do in my condition.

I am happy to speak on these seventh Estimates presented by the Conservative government. What is most disheartening about the comments made on these seventh Estimates is that the Opposition is repeating the same thing every time. We have heard seven times now the same negative comments on the seven Estimates the Minister of Finance has tabled. Nevertheless, these have been gradually bringing the country back on the right track.

Allow me, Mr. Speaker, to review briefly the economic situation of Canada over the past ten years. But first, I would like to respond to my hon. colleague who just made reference to corporations which allegedly pay no tax among other things. That is false, Mr. Speaker, absolutely false. Since we came to power, in 1984, legislative amendments were brought forward so that Canadian corporations now pay their fair share.

Again, the hon. member provided no specific example of tax shelters for corporations in Canada. There is a good reason for that, Mr. Speaker: All tax shelters have been eliminated. There is even a tax for big corporations. Corporations have to pay taxes whether or not they make profits. Unfortunately, the hon. member failed to mention that. He failed to mention what this government has accomplished for social justice, as he failed to point out that all Canadian taxpayers, every individual, man or woman, are subject to a minimum income tax and that no one can avoid paying income tax through whatever mean or tax shelter.

Let's not forget that the taxation system established two years ago, which has reduced the tax burden of Canadians—and this is something else my friend forgot to say—; it is a system which is more equitable, fairer, a system with only three brackets, where people earning less pay less tax, and where those who earn more pay more. And that, Mr. Speaker, is something he forgot to mention.

At the beginning of my speech, I wanted to mention it to him.

Mr. Speaker, with your permission, I would like to read extracts from an editorial which appeared in *Le Nouvelliste*, an editorial written by Mr. Claude Bruneau and entitled *Beyond the Budget, the deadlock remains*. Mr. Bruneau said, and I quote: "Canadians everywhere urge Mr. Wilson to achieve two aims: reduce the deficit and stimulate the economy. But at the same time, they forbid him to use two means of going about it: tax hikes and pumping new money into the system, or spending". And he went on to say: "You can't ask one to do the impossible". And further still: "And in all that has been said in the last two days, we can find no trace of the ideal budget which would solve the problem without causing a public outcry".

I believe, Mr. Speaker, that these few words by Mr. Bruneau show that Canadians have come to realize how important and serious the deficit and the national debt have become.

You know, Mr. Speaker, we must not delude ourselves. When we speak of services provided to Canadians by all levels of government, federal, provincial, and municipal, as well as by the schools, we are speaking of services which have to be paid for. Canadians are starting

to realize that, in effect, when they pay their taxes, it is for these services that they do it.

• (1620)

The question today is this: Are we willing to spend more to keep the services we have? That is the question. This year, we have a deficit of $30 billion, and without the cuts and the extraordinary performance of our Finance Minister, we would have had a deficit of $35 billion. And we also have a national debt which, as was pointed out earlier, has doubled in six years. Mr. Speaker, 87 per cent of the increase in the national debt is due to the interest we have to pay on the debt we inherited in 1984—87 per cent! This means that although the government has reduced its annual deficit, it is still and it must keep working on reducing its annual deficit, Mr. Speaker, because this debt is not the debt of Ottawa's elected representatives it is the debt of every single Canadian. Mr. Speaker, 36 cents out of every federal tax dollar goes to paying off the interest on the debt.

Not a single family in the riding of Trois-Rivières or in your own riding, Mr. Speaker, could survive if it had to spent 36 cents of every dollar on interest payments alone, without even paying back the capital, Mr. Speaker. No family could manage that. And we can't manage it, either. That is why these and other measures that will be taken are so severe. That is why provincial governments have a debt average of 11 cents per revenue dollar, which we could call reasonable.

Municipalities don't have the right to have a deficit. They are lucky. We, Mr. Speaker—thanks to the careless management of the previous government, which did have the right to incur a deficit, to have a national debt—had to pick up the pieces.

Mr. Speaker, in 1981-82, people were talking about a recession. This was 1981-82. The deficit was $14 billion. The government at the time doubled that amount, Mr. Speaker. The deficit soared to $28 billion in one year, the excuse being that Canadian men and women had to be helped through a difficult period. You know the results. The inflation rate was 10 per cent. Interest rates were around 22 per cent. The deficit doubled and it didn't solve a thing.

Taking money out of the pockets of some Canadian taxpayers and trying to put it in the pockets of other Canadians is no way to deal with a recession or inflation or interest rates. They tried this in 1981-82 and it was a real flop. Mr. Speaker, our Finance Minister has brought down a straightforward budget for economic recovery. He didn't raise taxes so he didn't stimulate inflation. He didn't spend more money, so he didn't make inflation go up, and he is taking care of lowering interest rates.

This is a budget to put companies and individuals on the road to recovery. It is realistic and adapted to the present situation, Mr. Speaker. The opposition's comments are typical. They keep talking about giving away money, investing money, but the question is always: Sure, you can invest money but where do you get it? I repeat, as Mr. Bruneau pointed out so eloquently, there is no one on the opposition side, to my knowledge and his knowledge, who has found a way to raise revenue which we have left untried.

Mr. Speaker, that is the major problem we have to face. There are no draconian cutbacks in this budget. There are no major cuts that might shock Canadians. And I am glad to see there is nothing that effects the riding of Trois-Rivières. However, Mr. Speaker, there are two extraordinary new measures. First, legislation to prevent departments from overspending their budget. And that Mr. Speaker, is news.

I think it is important, something which was positively emphasized in general. The other excellent measure is that specific legislation will be introduced to make sure that, by law, all revenues from the Goods and Services Tax will be allocated solely to bringing the public debt under control. Thanks to this excellent legislation, Canadian men and women will be assured that this government is using revenues from the GST to reduce the deficit and not to finance new spending programs which the Opposition is asking for daily, because they constantly ask us to increase spending.

When, as a young boy, I asked my father for money, sometimes he would say: "Where do you want me to get it?" Now, I am asking the Opposition where do they want the government to get the money? It is all very nice to keep on asking for money, but the time comes when the debt must be paid. The credit card is at the limit. Canadians understand now that such is our situation.

They will talk again about the so-call cuts which the Federal government is making in the transfer payments to the provinces. There are not such cuts. There are mainly two kinds of transfer payments to the provinces, namely the established financing programs and the equalization payment programs. Minister Wilson said that as far as Established Program Financing is concerned, the amount is frozen. Freezing and cutting are two different things. That is for one program. As for the equalization payments, they continue to increase.

Which means that from one year to the next, the provinces will get more money, especially those which are getting equalization payments and which are considered less affluent. For instance, Quebec received $8.2 billion in 1984-85; it will get $10.2 billion in 1990-91. This is a large amount which accounts for 30 per cent of Quebec's budget.

The provinces all together will get $36 billion—not $36 million—per year and as the Auditor General said, the Federal government transfers to the provinces $36 billion without getting a receipt. The provinces are free to spend that money as they please.

As I see it, Mr. Speaker, it is important to emphasize that because all departments here in Ottawa—the departments of my colleagues at Health and Welfare, the Secretary of State or Transport Canada—have to account for every cent they spend. And so they should. The Auditor General is responsible for checking all that, except for the $36 billion transferred to the provinces. The federal government has full confidence in the provincial administrations and let them spend that money as they see fit.

Mr. Speaker, again I must point out that this is not a cut-back but a freeze on established programs financing and an increase in equalization payments. I would suggest that the provinces—all provinces have boosted they expenditures by about 5 or 6 per cent a year since 1984 while our government has kept its yearly increases to 3 per cent—should examine their own performance. They have to look at the current situation in this country—they are part of it—and realize that if the federal government cannot afford increases over 3 per cent perhaps they too should consider imposing some restrictions.

• (1630)

Mr. Speaker, I am sure that all Canadians are aware of the extent of the problem in this country. And there are other problems besides that one. You will hear other people claim that the deficit is a minor issue, that the Constitution is more important. We each have or own priorities. When the economy is in the doldrums, everything else is down. That is the message Mr. Wilson wanted to convey. First things first, all Canadians must have bread and butter on the table. So what does that call for. It calls for business people who have faith in the administration of their government. It calls for business people who are satisfied that this government can indeed administer public finances, opt for harsh measures, and have enough political courage to implement them.

Criticizing comes easy to members opposite. I have been here for six and a half years and have yet to hear an opposition member make a positive comment on any of the legislation introduced by this side of the House. Never did I hear members opposite say: Well, this is a good piece of legislation. We agree it is good. Others we feel are not good, but this one is. Never, Mr. Speaker! Not one piece of legislation ever got their approval. It is mathematically impossible for a government not to pass a good piece of legislation in six and a half years. And the best evidence in that respect—all mathematical considerations aside—is that the people—

Mr. Wappel: Nonsense!

Mr. Vincent: —in 1988, the people acknowledged what we had done and we were reelected.

Mr. Speaker, I am glad to see we woke up someone on the other side. That is nice to see.

An hon. member: One of the three people on the other side, since that is all there is!

Mr. Vincent: Mr. Speaker, we were finally able to wake them up! That is a good sign.

So, Mr. Speaker, no one had the guts to say we had introduced some good pieces of legislation. This year, with this budget, and given the economic situation we are in, the opposition should support the budget and all the work that is being done to facilitate the economic recovery in Canada.

Mr. Speaker, you are telling me my time is almost up. In conclusion, I would like to read two articles, two editorials, one of which was published in *La Presse* yesterday, the second one, in *Le Soleil*. In *Le Soleil*, the article is entitled "Wilson sets an example". I think that title says a lot, not only to the provincial and municipal governments, but also to the business people. "Wilson sets an example".

In *La Presse*, Mr. Speaker, the editorial was entitled "An Honest and Far-Seeing Budget". Mr. Speaker, we often hear that a picture is worth a thousand words. In this case, I would say that these two titles are worth a thousand words.

Mr. Speaker, again, I invite the opposition to support the budget and the government in its effort to trigger Canada's economic recovery.

[*English*]

The Acting Speaker (Mr. Paproski): Before I get into questions and comments, I wish to inform the House that because of the ministerial statement Government Orders will be extended by 27 minutes this day.

The government Whip, on a point of order.

Mr. Hawkes: Mr. Speaker, I think you will find unanimous consent in the Chamber for the following motion:

> Notwithstanding Standing Orders 33(2) and 84(4) the time to be added to government business this day as a result of ministers' statements will be added immediately following the division on the subamendment of Mr. Langdon at 5.45 o'clock p.m.

That would enable us to keep the timetable we had planned for the votes this evening, and yet not deprive members of the opportunity to speak on the major debate. I think you will find that the Whips of the other two parties would like to make a comment.

[*Translation*]

M. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, in a spirit of cooperation and to keep the House proceedings running smoothly, we give our consent to this motion.

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Yes, Mr. Speaker, there have been consultations. One of the things Whips strive to do is to have a degree of normalcy in a place that is not known for such. We wanted to avoid the confusion that was occurring because of the delay. Members have established their travel plans based on something they thought was fixed in the schedule of this House. I just want to say to some of my colleagues who were advised that the vote might be delayed that it is now back to where it was scheduled, so when you hear the bells, please come running.

The Acting Speaker (Mr. Paproski): Next time would you consider the chair officer too after the vote?

Is there unanimous consent?

Some hon. members: Agreed.

Motion agreed to.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I would like to respond somewhat to my colleague from Trois-Rivières.

[*Translation*]

I should say, Mr. Speaker, that I have only been here for a little over two years, and I was elected as a member of the Liberal Party. I personally worked on a bill to amend the pension system in Canada. Not only was I in favour of this bill, but my Party supported it and voted for it.

Now, if my colleague on the other side of the House—

Mr. Gagliano: It is not the first time we hear the hon. member for Sudbury talks through her hat.

Mrs. Marleau: —if he paid more attention to what is going on in the House, he would realize that when government members are prepared to act in a reasonable and sound way, we on this side are also willing to serve the Canadian people. We are often told: "We know everything, we are the best there is, and you know nothing." Decisions are made by people in high places and imposed on people who would often have a lot to say, even things worth listening to.

If we were more attentive to what they have to say, our country would fare better, I think. You know, we hear people say things in an attempt to put the blame on others, who of course did everything wrong. But that is not the way to manage a country. It is high time we, as elected representatives of the people to the federal government, put an end to all of this. It is time we realize we have a country, with a lot of problems, and the way to solve them is not by tabling budgets that make no sense at all and claiming to have the answers to everything.

Sure, the debt is causing a lot of problems, that is obvious, but the recession is giving us problems too. The budget you brought in did not provide any solutions; you made forecasts based on projections that—

Mr. Gagliano: Never come true.

Mrs. Marleau: And we do not even know where you got them. You decided that within two or three years, the deficit will go down to $25.6 billion. That would be great if you were able to do that and show us how you will achieve it.

Mr. Gagliano: In 1985, they told us they would make it go down to $18 billion.

Mrs. Marleau: You are always promising things, but meanwhile we lose many jobs; people are unhappy, our country is coming apart, we do not know where we are going.

So, don't you think it is high time to begin thinking a little about people, particularly the neediest ones—and it looks like there are more and more of them. Do you want us all to be like that, do you want this country to become divided, finished, because there is nothing left? You know that when we do not invest in the future, the dollar we do not spend today will have lost two or three times its value in five or six years. When Conservatives came to power, you had years of extraordinary growth. So, do not try to put the blame on us if the debt kept growing, if it doubled. You, ladies and gentlemen opposite, have a lot to answer for.

• (1640)

If you were to try to justify the projections you have made in previous years and if you could explain those projections, then maybe, and I say maybe, we could believe you, but it is very hard when you change history as you go. I know I speak for my constituents and thousands of Canadians when I say you have lost all credibility.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I must apologize to the hon. member because I remember I worked with her on the bill, and I remember she agreed to do that. I apologize, because I remember now.

That being said, Mr. Speaker, I would like to point out to the hon. member that since 1984, the number of individuals and families that has managed to rise above the poverty line has increased. There are fewer poor people now than there were in 1984. And that, Mr. Speaker, is something the hon. member will have to recognize as well.

As for the debt, Mr. Speaker, and the hon. member brought this up but I would like to remind her that in 1984, the debt was $200 billion. Since that time, interest payments on the debt are roughly equivalent to our annual deficit. The hon. member can check this: 87 per cent of the increase in the national debt represents the interest payable on a debt that existed before I was here. I know she doesn't like to hear that, but it's the truth, Mr. Speaker. We have to live with it, she does and I do and all Canadians do.

That's the problem. That's why I say that every time her party asks or she asks for more money, it has to come from somewhere. The question is, where do we get the money we need to pay for the expenditures she wants, in whatever area? Of course, as a government, we can spend in practically every area. There are plenty of opportunities for spending. But where do we get the money? That is the question.

In concluding, Mr. Speaker, I would also like to point out to the hon. member, that when she talks about divisions across the country, last year her caucus helped to create those divisions.

The Acting Speaker (Mr. Paproski): Further questions? The hon. member for Edmonton East.

[*English*]

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I noted that towards the conclusion of the hon. member's remarks he said—I am relying on the translation—"We need a government in which business can have confidence".

Given the indulgence, not to say the bottomless generosity, with which this government has treated its soulmates in the Business Council on National Issues, I should think that big business— big corporations and the wealthy in this country—would not only have confidence in this government, they would be enchanted with it. Anything less could only be seen by fair-minded people as the most churlish ingratitude on their parts.

However, the hon. member started his speech saying that my confrère from Winnipeg was out to lunch when he was claiming that there were people in this country who were not paying taxes.

The proof of the pudding is in the tasting. Revenue Canada produces annual statistics for which 1988 was released in November of last year. It showed that of all those Canadians earning $250,000 or more in 1988, 140 of them paid no tax. That was up by 40 per cent from the same figure for 1987. Of those earning $50,000 or more, fully 5,430 paid no tax and that was up by a whopping 87 per cent from the year earlier.

How this can be construed by anyone as evidence of a fair taxation system quite escapes me. But I would be fascinated to listen to the hon. member's attempt.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I don't have offhand the figures that the hon. member mentioned. However, I hope he will understand, since he has been repeating the same thing for two years, and I hope too that the Canadian people will understand.

There is now, in the Income Tax Act, provision for a minimum personal tax, and there are only three tax reduction schemes. First, the person has suffered a loss. He or she can deduct it from his or her income, and this is only fair, if you lose money you should be able to claim the loss.

Second, the person has made charitable gifts, and third the person is paying alimony. These are the only three possibilities allowing a person earning, say $100,000, not to pay income taxes. If that person does not pay taxes it is because he or she is entitled to these deductions, and they are the only three. My colleague might not understand that, but if he had lost $50,000 last year he would be glad to be able to deduct that loss from his income. If it is a loss it can be deducted, but these are the only three reasons.

I will conclude by saying that my colleague should go back to his books and try to understand the system.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member for Central Nova. I am sorry; the hon. member for South West Nova.

The Budget

Mrs. Coline Campbell (South West Nova): If I had the power of the member for Central Nova, I would do a few things differently, Mr. Speaker.

In the finance minister's budget speech this week he spoke solemnly of the need for realism and I quote:

> —we must deal with the world as it is, and not as we might wish it to be.

That is the finance minister's view of the world, but he neglected to add that the uncertain world Canadians now face is largely of his making.

This, after all, is our first made–in–Canada recession, and given this government's trade and economic policies, recessions may soon be the only thing we will be able to make in Canada. It falls to the members of the Liberal opposition to set the record straight on both the extent of the government's responsibility for economic mess and how its prescription for recovery will affect average Canadians.

We have to put a human face on this government's so–called "plan for economic recovery". I think of it as a continuation of the government's plan for the end of Canada, a Canada as we used to know it.

Somebody said that *The Gazette* this week showed a picture of the Prime Minister with Schefferville behind with an *X* through it and he was holding Canada in his hand with a question mark. I have tried to trace that cartoon because I think it is very real as to what is happening in Canada.

Let us talk about the deficit. The member from Trois–Rivières has his ideas. I commend him for his ideas, but I would also like to talk about it from the other side.

In every budget since 1984, the Minister of Finance has loudly proclaimed his unshakeable commitment to get Canada's public finances in order, to correct "the mess" he claimed the Liberal government had left for him to clean up.

In this budget he made the same claim. On page 2, he says:

> We will put government finances firmly on the course to a balanced budget.

As an aside to that, with the GST revenues he should be able to.

The time has come to call his bluff on this one. When he took over finance in 1984, the annual deficit stood at $38 billion and the accumulated public debt at $187.2 billion. This is high, to be sure, but understandable when you consider that Canada was coming out of the worst—not a made–in–Canada recession—international recession; forces that were beyond Canada since the depression.

• (1650)

This, we are told, is a made-in-Canada recession, forces are in the direct control of this Minister of Finance. Nobody else can be blamed. He is the Minister of Finance. It is a made-in-Canada recession, not international, not when all the other countries in the Group of Seven had high interest rates, high inflation and high unemployment.

In 1991, the annual deficit is forecast to be $30.5 billion, and the total debt—this is the minister this week—has exploded to $388.2 billion, going to $400 billion this year. This is incredible when we remember that for most of this government's time in office, we have seen unprecedented economic growth and prosperity, and no attempt to control their deficit or to reduce the total debt.

Rather than attempt to retire the accumulated debt during the good times, this government made no progress at all. Now we find ourselves in a serious recession, a downturn that may be worse than the one in 1981-82, a made-in-Canada downturn, and the minister is saying that he has no room to manoeuvre. The minister is telling us he has no ideas; no room to stimulate the economy, no room to give Canadians some hope for the future.

Today the government is saying that we are going to have lower interest rates, lower inflation, but higher unemployment. Given the minister's poor track record in meeting his own targets in the last budget, it is unlikely that his interest rates and inflation goals will be achieved, and one has to fear that the unemployment rate will be even worse than he predicted this week.

What little progress the minister may have made toward controlling expenditure during the good times was made exclusively on the backs of the average Canadian through massive tax increases, not through any enlightenment by the minister for finding new means to create something in Canada.

Since 1984 when this government first came into power, individual Canadians have been hit with 31 major tax increases—between 1984 and 1989. Average Canadian families have suffered as much as a 176.3 per cent increase in their tax bill. The *Canadian Tax Journal* of March, 1990 reports that the tax changes since 1984 have seen the average Canadian family pay about $1,000 more in tax while 640 Canadians earning more than $100,000 paid no tax at all in 1987.

Other figures show that where the 1984 tax system is still in effect, Canadians households would be paying some $11.1 billion less in taxes. That $11.1 billion could have been circulating in the economy. It could have been generating wealth and creating jobs. It could have been supporting demand for Canadian goods and services.

This year Canadians will have to put up with the goods and services tax and the additional 7 per cent burden on all their purchases. They will face this 7 per cent every day and not just when the quarterly rebate cheques come out.

I do hope that the government follows through on its plan, that it did put this 7 per cent tax in without having said why it was putting it in. But in the budget this week, the minister said he would now bring forward a new fund to show how it would reduce the accumulated debt. In the meantime, until we get that, it is going into general revenues. I do not think that is a fair expectation. The Canadian people do not want to see the government spend this money irresponsibly; not when that GST is so severe on so many Canadians.

Since 1984, during unprecedented growth and prosperity, no effort was made by the government to plug loopholes in the tax system.

I think of capital gains. Perhaps we did not need them, if you tax the working poor to the extent that they are being taxed. When speaking of capital cost allowances and inventory cost accounting, Mrs. Maxwell, when she appeared before the committee, said that those were areas that could have been closed.

Even the RRSP: Canadians were savers in the past. They used their own savings for their own direction. Maybe it is time that the RRSP should be looked at, because it certainly is not the lower income Canadians who are using the RRSP. We hope on this side that our tax group which is looking at tax reforms will look across Canada to find solutions. This government certainly does not seem to be talking to ordinary Canadians.

They should have looked at some of the program expenditures. I can mention one: ACOA, $2 billion. Where did the $2 billion go? As it now stands, ACOA is using the money to help some businesses. I don't know how some businesses get it and others don't, but that is the discretion of somebody in ACOA, creating, in my opinion, unfair business advantages. It has created an unfair playing field for many entrepreneurs, when it should be spending to upgrade the regional economy generally.

What do I mean by "upgrading"? We need to improve water and sewer services, transportation services; we need to improve skill development; we need to ensure that economic development will be environmentally sustainable. I take note, with considerable regret, that these latter two—skill development and environmental protection—have taken a serious blow in the budget. We need to develop this regionally so that the region, as a whole, can compete more effectively in the Canadian, North American and world markets.

Unless such basic infrastructure changes are made, we will continue to see ACOA-funded businesses fail, like the closing of Dominion Textiles, a textile plant that had existed for 115 years or more. So many jobs are gone just like that. They have gone to Quebec, when it started in Nova Scotia as a textile plant. We have to ask ourselves why did it go to Quebec? Why is it more effective to have a textile plant in Quebec than in Nova Scotia?

I myself think that it will not just stop in Quebec, it will go to the U.S. Under the free trade agreement that is where some of the jobs in Yarmouth have already gone.

The Atlantic Defence Industries, with several millions of dollars of both provincial and federal assistance has gone under. It has a life of six months to finish the contract.

Why this? Why the selectivity and not longer lasting? Why is ACOA not telling us what is wrong?

We will also see the tourist business go under, because we see big grants to some hotels and not to others. You can take probably any area and find that one was funded by ACOA and an existing business is not getting the funding. It is not a fair playing field.

Had the government been genuinely creative in addressing the deficit over the past few years, it might not be in the ridiculous position of trying to balance the books during a recession. It is too late to do that now. You cannot, in my opinion, balance the budget when we are in a recession. You cannot balance a budget with growing unemployment. You cannot balance a budget when business bankruptcies are running at record levels. You cannot balance a budget on the backs of the unemployed and the under-employed, the working poor, and those working in unstable part-time and low-paying service sectors.

Let me talk about the budget as it relates to Nova Scotia. Let's look more specifically at the effect of the budget forecasts in cuts, as it will affect my own province.

The minister forecasts an unemployment rate for 1991 of 10 per cent. This is a national average, of course. In Nova Scotia, we usually have a higher rate than the national average. In 1989, for example, the Atlantic rate was 9.9 per cent, 2.2 per cent above the national rate. When you consider the lay-offs that are hitting my area alone, in Yarmouth where 300 jobs will be lost at Dominion Textile plant, in Bridgetown where Atlantic Defence Industries may soon close—and that has only been around since the last election project; that was an election project. Atlantic Defence Industries may soon close for good, taking some 200 jobs with it and, of course, the effect of the new individual quota system on Scotia Fundy inshore fishermen and processors alone may cost one-half of existing employment. The rate is only going to increase. The rate of unemployed has to increase.

• (1700)

Remember that the unemployment insurance rate does not account for the many discouraged workers who have given up looking. I am looking at something in which the Canadian Labour Council states that the real unemployment rate in Canada is 14.6 per cent in December because about 738,000 Canadians have been forced either to drop out of the work force or take part-time work.

The real rate of unemployment is not what the minister is talking about. He is just talking about those who are still in the labour force survey.

No, it does not take into account the hardship facing young people, the elderly, who make up the 175,000 of Nova Scotia's 1986 population of 873,000. We understand that large numbers of people have been left out in the cold by this plan for economic recovery. No, it does not take into account many thousands of Nova Scotians. We just know that the rate in Nova Scotia, even if it stays at 10 per cent, will mean that 41,930 people in Nova Scotia who were collecting unemployment insurance last November, in 1990, when the provincial rate was 10 per cent, can look forward to another year of unemployment, thanks to this government.

They might survive if the new unemployment insurance rules brought in by this government do not force them on to the welfare system first.

The topic of welfare leads me to discuss the extension of the freeze on Established Programs Financing transfers. I should say here that the minister through government should not reduce the deficit through Established Programs Financing cuts in 1991. The minister himself said that in 1982.

I have a quote to which I will not refer, but he was talking here in this House.

The Established Programs Financing cuts will hit Nova Scotia particularly hard since Donald Savoie said in his recent report, "Reaching Maturity for ACOA", that people in Nova Scotia earn about 15 per cent of their income through transfer payments compared to the national average of 11 per cent.

Preliminary estimates show that the extension of the freeze will cost the province another $423 million in health care and post-secondary education funds. When added to the previous established program funding cuts by this government, the extension brings the cost to Nova Scotia to upward of $1.5 billion in the fiscal year 1995-96.

What does it mean to the people of Nova Scotia? It means fewer students attending our universities and colleges because tuition fees will have to go up to pay for the cutbacks. For those students who do go, it means classes that are in the hundreds and in deteriorating facilities.

Imagine the hypocrisy of our Prime Minister loudly proclaiming his commitment to upgrading our labour force skills as he presides on the systematic dismantling of our post-secondary education system. It means hospital beds being closed and longer line-ups.

Apart from their direct effect, these cuts will have an effect on provincial budgets. They will also have an indirect effect on municipal budgets and ultimately on all the people because they will see their services being cut back by the provinces not being able to share in the 50 per cent dollars under the Canada Assistance Program and also being cut back by the Established Programs Financing freezes.

A person could talk quite at length, but I have to say that the saddest part of this budget is that it does not take into account the problems that exist in the manufacturing areas in our province. In the Atlantic economy review of 1990, in agriculture, for instance, in Nova Scotia, the total farm cash receipts in 1989 were $229.9 million. In 1990 they had decreased; $228.5 million.

In fishing the total of all groundfish—and this is a sad one— caught in 1989 was 197.5 tonnes at a return of $132 million. In 1990 the amount of fish caught was 178.7 tonnes and the value of it with a higher dollar was $138.7 million. We are not giving responsible manufacturing approaches to the regional economy of our area.

We have a Minister of Fisheries who will not talk to businesses. We have a press release, I think was put out today, by the Maritime Fishermen's Union saying, unless the province and the federal government start looking at what they are doing to the inshore fishery, unless their policies are not directed to big companies, the multinationals, we are not going to have anything left of the inshore. I quote from the Maritime Fishermen's Union: "As well, the maritime inshore ground fishery cannot survive DFO's individual boat quota system which allows large companies to buy inshore quota and fish it with larger vessels. It is only a matter of time before the inshore will lose complete access to groundfish stocks, thus eliminating inshore ground fishery."

It does not listen to people. The Liberal task force on the recession heard that this government is not listening to Canadians. If it listened, this Minister of Finance might have new and innovative ideas. He will not listen.

I say to the minister; come down and talk with the Minister of Fisheries who will not talk to Nova Scotians in the fishery. I say to him; come down and talk to the people and he will know that this is not the budget that is going to take us out of the recession.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I would like to congratulate my colleague on an excellent speech, focusing on an issue that I think we have seen to be a hallmark of the Conservative government and that is, very simply, not listening to people.

I was interested in how my colleague focused in on her area of the country, which is something we sometimes forget. When we look at a budget, we look at budget papers, we look at averages, we look at numbers, we look at statistics and, of course, we forget about people. We see that the unemployment rate is forecast to be an average of 10 per cent. Of course, my colleague reminded us all that, indeed, in her area of the country it is very likely going to be much higher.

She invited the government to listen, but did not have an opportunity to tell the government what she heard when the Liberal task force went through her area. So, I would like to ask her if she would be kind enough to tell me and, hopefully, some members on the other side who might just listen, exactly what was heard when the people of Nova Scotia spoke.

Mrs. Campbell (South West Nova): Mr. Speaker, I think there were probably three things that came through. The representatives of the Chamber of Commerce for Nova Scotia said that the interest rates of the government had brought on an awful lot of the problems and that they had lost control of that. They also felt that the free trade agreement, for whatever it was, was certainly taking away from the manufacturing sector and that the jobs created were certainly lower paying service industry jobs, rather than manufacturing.

I tried to point out in my speech that if you lose agriculture, if you lose fisheries, you are losing high paying manufacturing jobs. Whereas, if you are creating in the service industry, you are starting at a very minimum wage and chances are those people are not going to have full-time employment. Let us say Sheraton is going to build in New Brunswick under a lot of ACOA funding, how is it to compete with other establishments there? They can start with very low wages as well. The other thing that was heard was that they are not listening to people. The mayors said that if they would just leave it as a fair playing field then we could compete, but they are not doing that. Their policies are from one point to the other.

• (1710)

The third thing, of course, being in my area, they heard from fishermen who have been involved in the fishery. They have asked for the minister to come down and he will not. I cannot understand how the Minister of Fisheries can be a Minister of Fisheries, take responsible taxpayers' money and still not go and see where the concerns are for his job. I cannot understand a Prime Minister who would have a Minister of Fisheries who has not gone in to see the inshore fishery in Nova Scotia. I just show you the Maritime Union. That is not the larger boats, but the smaller boats.

The other thing that people are hearing is that this minister talked about realism. Well, reality means that disabled persons have to live on fewer dollars a month. It means that young children are going to bed at night cold and going to school in the morning hungry. It means family breakdowns, the increase of family violence and crime, all of which impose their additional costs and have to be covered somewhere in the system.

It is the ultimate irony. It will mean a reduction in the type of social services designed to help people and families who are going to be in that situation.

I want to give one example. I had a person who came in. He had a full-time job. He was entitled to unemployment insurance. He worked part-time at K-Mart. He was married and had two very young children, one of whom was sick. He was in his mid to late 20s. His take-home pay was about $400 and he was able to supplement it—some people do not realize that you can get UI benefits to supplement your income per week—to, I think, about $600. However, he needed more than $600 for a family of four to live on, even in Nova Scotia.

I phoned welfare on his behalf. When you looked at the budget, he was entitled to $41 more a month out of such a rich country. There were no jobs. He would have liked to have gone on training, but there was no training. He would have taken anything. In a country as rich as Canada is, to see that time and time again in the three constituency offices in my riding, it begins to hit home that something is wrong.

How do the people tell this government that its policies are not working? Where do they want them to go? They do not even have money to take them out of Nova Scotia let alone train them for other jobs that they might be able to go to. You know, $600 is not much to live on for a family of four. The man wants to work and he is working part-time. If there was a full-time job he would be working. That is what people are saying.

The Budget

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I wonder if the member who just spoke would tell the House this.

One of the problems that we have with the people on the other side in the government is that it seems to me they are primarily concerned about an upper-income constituency in Toronto or Montreal. I cannot say Ottawa any more in light of what they have done to public servants here, but the Forest Hill, Bridal Path, Upper Rosedale set, I think, is their natural constituency. I wonder when they cap education programs, welfare—

An hon. member: You should be gentle to your ex-buddy.

Mr. Blenkarn: The wealthy Kilgours.

The Acting Speaker (Mr. Paproski): We have one minute left. The hon. member for Edmonton Southeast will put his question.

Mr. Kilgour: Before the member was rudely interrupted, would you tell us how these cappings on education, welfare and so on are going to affect the provinces, including the maritime provinces, which I suspect some of these people with us today have never been to.

Mrs. Campbell (South West Nova): I want to say that the member is a welcome addition to our party. I have had some good conversations with him, and I am sure his question today shows this House exactly what will happen.

I can tell you what will happen. You just have to take an area under a school board, Mr. Speaker. It used to be that the province could get 50 cent dollars to pay for some of the services that they are giving. Now, they have to squeeze it somewhere else.

If they have to squeeze it from the school board, then the school board has to go to the municipal councils and say: "We need more money to maintain that remedial teacher," or, "to maintain our classes at 30 or 40 students." Who is hit again ultimately because of this minister's improper measures and improper ability to judge how far he can go? It's the Canadian people.

The people have been over taxed. They have a new GST to try to cut the deficit, but he has nothing stimulating to keep them going and employed. If they are not employed, there are not going to be taxes for those services. Again, we are going to become third class citizens in a wealthy country that we should not be.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I have been involved in the budgetary process in Parliament since 1979. I have been involved in lockups with Ministers of Finance since then.

I remember the budget of 1979, as I am sure you do, Sir, where the hon. member for St. John's East presented a budget that would have balanced. It would have provided for a tax on gasoline of 18 cents a gallon and would have given mortgage interest deductibility.

At that time in 1979, the funded debt of the country was $44 billion. I say "funded debt" because that is really the debt we should be talking about. What do we owe the bondholders? What do we owe the people from whom we borrow money on treasury bills? What do we owe people who have Canada Savings Bonds?

At the end of December 1979, we owed those people $44 billion. Then came the government that was elected in February 1980. By the end of its term, the funded debt for this country was $163 billion.

An hon. member: What is it today, Don?

Mr. Blenkarn: We are coming to that.

That funded debt was increased by that party in one Parliament only, four and a half years, a little better, by $119 billion.

Today on February 22, 1991—the last Bank of Canada statement on the amount of outstanding funded debt in the hands of the public—the amount we owed was $272 billion. I am rounding. That means the debt has increased in the six and a half years we have had the Minister of Finance in charge by $109 billion.

In terms of what we owe the public and not what is in the national accounts, not what we owe from one pocket of government to the other pocket of government, is $272 billion. That is an increase of $109 billion. All of

that increase is a result of compound interest because we have not, in the course of managing the country, been able, despite massive cutbacks in expenditures and despite tax increases, to get the matter turned around as well as we would like.

I will come around to the turning around as we go along, but I want to let my friend from Edmonton Southeast, who is an expert writing on finance matters but never comes to finance meetings, have some information. The amount we are going to have to borrow this year will be $21.6 billion, plus or minus whatever has to happen in the exchange fund.

• (1720)

I might point out to the member for Edmonton Southeast that we presently have $23 billion in the exchange fund if we converted it to Canadian dollars. It costs money to keep an exchange fund.

Perhaps we ought to be able to reduce some of that exchange fund, but we are concerned of course about the trading value of the Canadian dollar. It would be impossible to reduce the exchange fund and not increase the value of the Canadian dollar right away. A lot of that is built up by trying to keep the Canadian dollar reasonably modest in the exchange rate with the United States. We have to treat the exchange fund as an asset, but it is an asset that does cost the country some money to carry.

I do not want to underestimate the cost of the debt and the problems we face, but let us not get carried away with crazy figures saying: "You owe $400 billion and $450 billion", and so on. The facts are set out weekly, for the member for Edmonton Southeast, in the Bank of Canada statements. All he has to do is look at them. He has been around here long enough, and I am sure he gets them delivered to his office every week. Why does he not look?

We have had a problem with the cost of running the country. On average since 1985 the cost of expenditures on program has been restrained to a 3.7 per cent annual increase. That is less than the rate of inflation. Despite increases in taxes, and despite keeping costs less than the rate of inflation, we have not yet been able to get to the point where we do not have to go to the market to borrow further money.

Hopefully, we will be able to do that, but this is not an easy matter. I want to speak, as I have spoken in the past, to this House on that matter.

We have a system that is a bit out of control. There are two things we have had to do and we must continue to do. First of all, we must look at the fiscal balance between ourselves as a federal government and the provinces and the responsibilities of the federal government and the provinces.

Second, we must eliminate the overlapping and duplication and triplication and quadruplication in some cases of government activity where the taxpayer—and there is only one taxpayer—pays bureaucrats.

Take Environment as an example. It pays bureaucrats in this government. It pays bureaucrats in the provincial government. It pays bureaucrats in the regional governments in Ontario. It pays bureaucrats in the municipal governments in Ontario and in every conservation authority it pays further bureaucrats, all dealing with environment, all with separate rules, all with separate ways of looking at things and all at enormous costs because they all get paid from one person. That is you and I in our taxes or you and I or our children when we borrow the money to pay them.

What we have to do is very seriously reduce and eliminate overlapping and duplication in government and very seriously priorize our claims on what we want from government, so we get our demands against the public purse reduced to the lowest amount possible.

Let me deal first of all with priorizing. A lot has been said about medicare. In the minister's speech he says that we treat medicare as a must. I think all of us and our constituents treat medicare as a must, but we have to do some priorizing. We cannot go on. The member for Winnipeg Transcona spoke about medicare and the erosion. We cannot go on the way we are going. We have to priorize.

I can just give a few examples. If one asked my constituents whether they would rather have medicare or the CBC, I bet they vote for medicare. If one asked them whether they would have medicare or the National Film Board, I will bet they vote for medicare. If one asked them whether they want medicare or VIA Rail, I will bet they vote for medicare. If one asks them whether they want medicare or the DIPP, I bet they vote for medicare. Let us have some priorization, and let us have

some suggestions of priorization so it is not just duplication. It is the question of priorization of expenditures.

I take a look at some of the things we do, and those things we do, for example, in a field that comes before my committee, and that is the field of financial administration for the banks, trust companies and so on. A trust company in this country has to go to be disciplined by provincial inspectors and by the federal inspector. Both governments have offices of financial administration where they run their own show and they have their own separate rules and laws. All of that cost is borne not by government, but by you and I because you and I are the taxpayers for both of these governments.

I think what we have to do is realize that we have to restrain ourselves, and in the restraining process the federal government has in this budget brought that restraint directly to the attention of the provinces by cutting back, again in this budget, with some of the transfers.

My friends opposite decry that. I think it is important that we realize that the expenses for operating the Government of Ontario through 1984 to 1990 rose at an average rate of 10 per cent a year, back to back, one year after another. The cost of running all of the other provincial governments averaged across all provinces 7.2 per cent every year, back to back. The cost of this government has been 3.7 per cent. Somewhere along the line we have to get together with the provinces and reorganize the distribution of income, the distribution of responsibilities, and rationalize that because we cannot carry on as we are going in any realistic fashion.

I want to deal for a moment with the issue of unemployment insurance. That is a nasty question to talk about when we have a lot of unemployed people, particularly in a society where this year we will be paying out $17 billion in unemployment insurance, a full $4 billion more in unemployment insurance than last year as a result of severe unemployment.

One of the problems in this budget, in trying to balance things, in trying not to increase the public debt, is that the minister has found it necessary to increase unemployment insurance premiums. Let us take a look at those premiums to see whether we can really afford this program the way this program is written.

Under the minister's suggestion in the budget, the premiums are increased for individuals—that is individuals who work—to 2.8 per cent of payroll to about $28,000 a year. For companies which employ people, that is everybody they employ, 3.92 per cent of payroll to about $28,000 a year. That is a total of 6.72 per cent of payroll as a payroll burden. Think about it: a 6.72 per cent payroll burden represents three weeks' holiday pay for every single working person in Canada.

Do you really think your constituents would willingly give up three weeks' holiday pay for unemployment insurance premiums? These are the things that we as a Parliament have to look at. These are the costs that we have to take into account when we say to taxpayers that they have to pay for this fund or they have to pay for that fund, or we are going to have to increase their Canada pension contributions.

These costs are being borne by our constituents and these costs injure the productivity of the country because they make it more expensive to employ people. They make it necessary for companies to pass their wage costs on in their prices. They make us uncompetitive, or less competitive, than we should be in world markets.

• (1730)

What we have to do as a country is become more competitive. What we have to do is take a look at all of these things and ask: can we really go along with what has been happening year after year with no real change, or should we again take a look at the programs and say: "You know, we have got to change that program?"

We have got to get along with a little less benefit. We have got to get along with different criteria. We cannot just sit back and say that every program of government is all of a sudden a sacred trust and nothing can be altered, because there is only one person who we have as a constituent—and that is you and I and our friends, our neighbours and our constituents who pay taxes—the taxpayer. That person can only bear so much.

I think it is in our obligation not to just decry the problems of the budget, not just to decry the fact that taxes are going up, not just to decry the fact that programs are cut back, but to come at the cost of government by giving that cost of government a rethink.

I want to say how impressed I am with the minister's ability to cut back bit by bit on the borrowing requirements. This year the minister will require about $21.6 billion to borrow on the marketplace, depending on how the exchange fund works. Next year the minister's budget calls for $14 billion in borrowing, the following year $5 billion in borrowing, and it puts us in the position where we start paying back the national debt in 1994–95.

Compare that deficit situation with what we inherited. When we took power in 1984 the deficit was 8.6 per cent of the Gross Domestic Product. This year the United States will have a deficit of 5.7 per cent of the Gross Domestic Product and our percentage of debt to Gross Domestic Product, expressed the way they express it, expressed on a national accounts basis, is 3.5 per cent.

In other words, we have reduced the shortfall from 8.6 per cent of Gross Domestic Product to 3.5 per cent of Gross Domestic Product, and bit by bit we are turning it around.

But we cannot go on the way we are. We cannot go on with income taxes because of the inflation, partial deindexing rising year after year. Families cannot go on with the payments they are asked to make on income tax, on goods and services tax. My friends on the left call for capital taxes. We cannot go on this way and build a competitive society.

What we have to do, therefore, is learn how to train our demands on the state to what we really can afford, what we really need, not what we would like or what would be jam. Let us get our costs and our demands on government back to a more realistic level.

Our problem is very simple. For a number of years we were trained by government that any time you needed something you went to the government in prayer. You went to the government in prayer. You said: "Mr. Government, I have a problem. I want to start a business. Give me a grant. I have a problem. I need an assistance program." I need this, I need that. Give me, give me, give me. Take it to the Lord in prayer. And what we did is we got used to receiving $1.1 for every dollar paid in taxes.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): Order, please. There will be an opportunity for questions and comments in about two minutes. The hon. member for Mississauga South has the floor.

Mr. Blenkarn: They will get at me, I am sure. What we have to do is understand right now, as we try to conquer our debt problem, that we are paying about $1.25 in taxes because a great part of it is going in interest, and we are only getting about $1 worth of benefits. We have to change that around. We have to change the cost to government around and it is up to this House to do that.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I would like to make a comment first, and then ask my hon. colleague, who is also chairman of the Standing Committee on Finance a few questions.

I would like to remind him that, not long ago, when the Finance Committee held hearings on the GST in Vancouver, the mayor of that city appeared before the committee and taught us a lesson, or should I say lectured us, on the tax system. He said that it was time to stop reaching into other people's pockets, which meant that the federal government, to cut expenses, passes the burden on to the provinces, which pass it on to municipalities. But everybody forgets about the taxpayer.

I hope the chairman of the Finance Committee gave that advice to his colleague, the Minister of Finance, but judging by the last budget, he did exactly the opposite. So I would like to know what he thinks, Mr. Speaker, because we see, year after year, that the Minister's projections are wrong. In 1985, he said that the deficit would be about $19 billion this year; we still have a $30 billion deficit. So we do not need his projections because we know that they never materialize.

I have another question. Earlier, my colleague said that he was very concerned about the debt service, and therefore about the debt itself. I would like to remind him that the total debt accumulated in 177 years since Confederation was doubled by his government in the last six years. It is something that has to be said, Mr. Speaker.

But I would like to ask him a question. If they really want to reduce the debt, they must not do it by making cuts in the programs designed to help needy Canadians. How come—read the estimates tabled today—how come the government is spending $3 billion a year on advertizing, consultations and public relations? If we are in a recession, instead of making cuts in programs for people

who need a hospital bed or for people who need affordable housing, a roof over their head, or for people who need jobs, why not cut in government's expenses on consultation, advertizing and public relations it does not need in any case?

[*English*]

Mr. Blenkarn: Mr. Speaker, quite obviously my friend has not been paying any attention. Let me give him some information for his record. He will note that this is the only Minister of Finance that has ever come anywhere close to being accurate with respect to his forecasts on borrowing requirements and his forecasts on public accounts debt.

On the public account debt he forecast $28.6 billion last year. He came in at $30.5 billion, but he made a change in forecast part way through the year as a result of interest rates. If he goes back to the prior year, he will find that the minister was able to come in $.5 billion less than he forecast.

On borrowing requirements, the minister forecast to borrow $21.5 billion and he had to borrow $23.5 billion. But this is the only Minister of Finance and the only government that did not do what the last government did, and that is have two borrowing authority bills a year. In one case it had three borrowing authority bills because they could not get they act together. They kept spending more money than they even forecast themselves, so they had to come back to the House time after time for more borrowing authority.

My friend from Edmonton knows that. He was there at the time. He remembers the extensive debates on borrowing authority. Perhaps he would like to tell us.

• (1740)

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I have a question for the hon. member, knowing that he is and has been known to be very frank and very truthful. Having sat on the finance committee with him and knowing that he is the author of the term "gouge and screw" tax, I know he will give me a level answer. I want to know on behalf of members of Parliament and the people of Canada something about the debt servicing reduction fund.

If we look at page 13 of the minister's budget speech, he states:

> As part of our Plan for Economic Recovery, we will ensure that all GST revenues are allocated solely to the effort to bring the public debt under control.

Then if we turn to page 78 of the budget and we look at the second paragraph it says:

> The Prime Minister has given a commitment that any above-projected revenues from the GST will make a contribution to deficit reduction rather than provide the leeway for an expansion in discretionary government spending.

The next paragraph goes on to say:

> The fund will be established to a specified purpose account to which will be credited net GST revenues and from which will be debited public debt charges.

The attitude that seems to be given is the one that all GST revenues after the administration charges, in other words approximately $16.5 billion, will go into this specified fund and will pay down the debt at that rate per year.

My question to the member is: Can he tell us openly and honestly, as he has with the "gouge and screw" tax, the definition of "all" or the definition of "net revenues", so the people of Canada and I, in fact, will know the amount being paid into this fund?

Mr. Blenkarn: I am delighted. That is a sensible question.

The goods and services tax is a gross tax that has certain rebates to it. In particular, hospitals, schools, charities and so on receive part of their tax back. You take the gross of the tax, and those people who receive part back and that comes off the receipt of the tax.

The same applies with respect to real estate. We have a tax of 7 per cent on the transfer of a house, but if you buy a new house as a single family owner you only pay a 4.5 per cent rate, so that really there is a rebate of 2.5 per cent of the tax.

Those rebates come off the gross tax. Also coming off the gross tax is the refund to low income people that is paid quarterly. That brings it to the net tax. That is the amount of net tax that goes in the deficit reduction fund. There is no other deduction from that.

This is an honest and straightforward way of saying to the people of Canada: "We know you didn't like this goods and services tax, but we are putting it toward the debt and that is where it belongs. When we get rid of the debt maybe we can get rid of the tax".

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I have a couple of interesting questions to ask the hon. member opposite. He talked about unemployment insurance and how we should carry our fair share of that particular burden.

The Mayor of Yellowknife in the Northwest Territories said: "Increased unemployment insurance contributions will cost $154 a year for each worker for the city of Yellowknife. It means $35,000 to $40,000 increase in employer contributions". She goes on to say: "What may be saved at the federal level and avoided at the territorial level, will eventually be passed on to the ratepayers and municipalities. Needed infrastructure may not go ahead unless municipalities and municipal governments pay for it by raising mill rates".

With regard to the north, there is 60 to 90 per cent unemployment. The Canadian Jobs Strategy cut of $100 million is going to have an impact because unemployment is so high. Essentially unemployment insurance and training programs are like a sub-economy. I know the minister to have had an attitude toward specific groups who he feels get free stuff. He had this validated and verified in a survey that he did.

I would like to know what initiatives he would use to kick-start the economy in the north, rather than gouging and screwing the constituents of the north.

The Acting Speaker (Mr. Paproski): It being 5:45 p.m., it is my duty, pursuant to Standing Order 84(4) and an Order made further earlier this day, to interrupt the proceedings and put forthwith every question necessary to dispose of the amendment to the amendment now before the House.

Is it the pleasure of the House to adopt the amendment to the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): All those in favour of the amendment to the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

The House divided on the amendment to the amendment, which was negatived on the following division:

(*Division No. 390*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Arseneault	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Bélair	Bellemare
Benjamin	Berger
Blackburn (Brant)	Blaikie
Blondin	Breaugh
Brewin	Caccia
Campbell (South West Nova)	Catterall
Clancy	Crawford
de Jong	Dingwall
Duhamel	Edmonston
Fisher	Flis
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Gray (Windsor West)	Harb
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Hovdebo	Hunter
Jordan	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Lapierre
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)	Lee
Maheu	Manley
Marleau	Martin (Lasalle—Émard)
McCurdy	McLaughlin
Mifflin	Milliken
Mills	Murphy
Nault	Nunziata
Nystrom	Pagtakhan
Parker	Plamondon
Prud'homme	Rideout
Riis	Robinson
Rocheleau	Rodriguez
Samson	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Tobin
Tremblay (Rosemont)	Waddell
Wappel	Whittaker
Young (Acadie—Bathurst)	Young (Beaches —Woodbine)—88

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Bertrand
Bird	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Chartrand
Clark (Yellowhead)	Clark (Brandon—Souris)
Clifford	Cole
Collins	Cook
Cooper	Corbeil
Corbett	Côté
Couture	Crosby (Halifax West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Holtmann
Horner	Horning
Hudon	Hughes
James	Jelinek
Johnson	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Littlechild
Loiselle	Lopez
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
Mayer	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
McLean	Merrithew
Monteith	Moore
Mulroney	Nicholson
Oberle	O'Kurley
Plourde	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Soetens
Sparrow	Tardif
Tétreault	Thacker
Thompson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van De Walle
Venne	Vézina
Vien	Vincent
Weiner	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—138	

• (1810)

The Acting Speaker (Mr. Paproski): I declare the amendment to the amendment lost.

Resuming debate.

Mr. Samson: A point of order, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. member for Timmins—Chapleau on a point of order.

Mr. Samson (Timmins—Chapleau): Mr. Speaker, during the vote I noticed that the member for Fraser Valley West voted, rose and left. At least one other member rose and left whom I could not identify. I would say that at least that one vote should not be counted.

The Acting Speaker (Mr. Paproski): The hon. member for Crowfoot on the same point of order.

Mr. Malone (Crowfoot): Mr. Speaker, I would like to speak to the same point of order because it may very well be that we should have the rules clarified.

The hon. member for Fraser Valley West, who is my seatmate, did in fact leave after the vote. He had to catch a plane. That is the rule of the House, and perhaps the rule ought to be respected.

It is also the rule of the House that in Question Period, questions should not be argumentative. It is also the rule of the House that questions should not have a preamble. It is also a rule of the House—

Some hon. members: Oh, oh.

Mr. Malone: The hon. member for the NDP would like to pick and choose rules, to have rules that he thinks might damage some members of Parliament—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): There is a convention—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): I can stay here until 11 o'clock if you would like.

An hon. member: Is that a promise or a threat?

The Acting Speaker (Mr. Paproski): That is a threat.

The hon. member for Windsor—St. Clair has a point of order?

Mr. McCurdy: Mr. Speaker, I think that that is probably the most fatuous intervention I have heard in all the time I have been here.

The rules are clear and unambiguous. Members are required to remain here until the vote has been completed and the count has been released.

Even this hon. member should understand the consequences of the waiver of the rule, and it is that immediately after each one of us has voted, we could very well have left. You could imagine the spectacle that that would represent.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): There is a convention in this House, and it is under Beauchesne's citation 223(3):

> If a Member who has heard the question put should inadvertently vote contrary to his intention, he may not be allowed to correct the mistake; but his vote must remain as first recorded. *Debates*, July 1, 1926, p. 5311.

Shall we carry on with debate? The hon. member for Cape Breton—Highlands—Canso has the floor.

A point of order, the hon. member for York South—Weston.

Mr. Nunziata (York South—Weston): Mr. Speaker, the point put before you for consideration was the fact that an hon. member of this House left before the vote was announced. By not removing that particular member's vote from the official record, in effect, Sir, you would be setting a precedent. That precedent would be that once you stand and your vote is recorded, you could vacate or leave the House. That is not the convention of this House. In the seven years that I have been here, it has been very clear that in order for your vote to be counted, it is essential that you remain in your seat until the vote is announced. By allowing this particular incident to carry on, as I indicated, the precedent would be set whereby throughout the course of a vote you would see members standing and then leaving the House.

• (1820)

The Acting Speaker (Mr. Paproski): I will go to Beauchesne's Citation 223(2):

> A Member must be in his own seat should he wish to vote and should remain in his seat until the division is complete and the result announced. *Journals*, April 18, 1956—

There is convention here that members should remain in their seat, but it has not been done here in the last six years that I can recall. New members have come into this Chamber. I will listen to the hon. member's point of order, but there has to be a little more decorum so the Chair can see what is going on too. It is pretty hard to see if members walk in and out getting their drink of water while the vote is going on, and that has happened here in the last six or seven years that I can remember.

I think that we should just leave it at that. I will check and see if we can find out if this has happened. The hon. member is an honourable member. If he feels that he should come in after he has taken his trip back home, if he has caught his plane, and if he feels that his vote should be withdrawn, he will stand up in the House like any honourable member and do what has to be done. Otherwise, I think we should carry on with debate. We had another 26 minutes left. We only have about another 17 minutes left in debate.

The hon. member for Windsor—St. Clair has another point of order.

Mr. McCurdy (Windsor—St. Clair): Mr. Speaker, I think that I have no alternative, as I am sure my colleagues have no alternative, but to express considerable concern about the manner of the ruling.

The Speaker, in the first instance, ruled on an issue that was not at all raised, and then the Speaker read from the rules of order to find that if in fact the hon. member did absent himself before the release of the count he had abrogated those rules. His colleague, sitting right next to him, concurred with the hon. member behind me in respect to his having left before the vote was completed.

It seems to me that it would have to be self-evident to the Speaker that if his ruling was to form the pattern of behaviour in this House, the House would be reduced to absurdity. I would ask the Speaker to change his ruling with some thought behind it.

Mr. Cooper: Mr. Speaker, I would like to indicate that we on this side of the House have no problem at all should the Chair decide to enforce such standing order.

I do want to emphasize to the Chair that we would be happy to have the Chair do that, but we will also insist that Beauchesne's be followed to the letter in all cases.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): Just before I recognize the hon. member for Crowfoot, the convention does not provide for sanctions by the Chair. He must be in his seat to vote, but he should remain in his seat. That is fine. Now that is all there is to it.

Now can we get back to debate, please. The hon. Whip for the NDP.

Mr. Angus: Mr. Speaker, I would like to rise on a point of order. In all seriousness, I think that it would be appropriate for the Chair, in consultation with the table officers, to reflect on what has happened in the last few minutes and come back at some later point to the House to review the matter, rather than continue it at this point, and allow us to get on with the debate. I would like to suggest that we not leave—

The Acting Speaker (Mr. Paproski): I hoped that the hon. member would have suggested that 10 minutes ago. Thank you.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, it is nice to see so many government members have waited for this speech. I want to address as an Atlantic Canadian some of the serious issues touched upon by Tuesday's budget.

The Acting Speaker (Mr. Paproski): I know that they are trying to reflect on the *Hill Times*, but I know the hon. member has a very serious speech and I wish he could get to it.

Mr. LeBlanc (Cape Breton Highlands—Canso): I know they are jealous, Mr. Speaker. I would like to recommence my speech. I hope I will be able to complete it before the time is up.

I want to address as an Atlantic Canadian some of the serious issues touched upon by Tuesday's budget. These are issues which go to the heart of Confederation and Atlantic Canada's place in it.

Recently, with some of my colleagues, I had the opportunity to travel throughout Atlantic Canada to see first-hand the effects of the recent recession on people in Atlantic Canada. During this time I heard the views and concerns of Atlantic Canadians about the impact of this recession, the government response to it, and what impact that is having on their lives.

In Yarmouth we listened to Bob Anthony, the warden of Yarmouth County and a small businessperson. He told us of the crushing burden of high taxes and interest rates on small businesses in his region.

In Saint John we heard Allan Kurtz of the St. Stephen Retailers Association describe how his community, along the border with Maine, was being turned into a ghost town because of cross-border shopping since the free trade agreement came into effect.

In Harbour Grace and in Corner Brook, we were told repeatedly how federal mismanagement was killing the Newfoundland fishery and how nothing was being done to create a new and better future for Newfoundlanders.

I learned above all else that hundreds of communities in Atlantic Canada are suffering under the economic policies of this government. I cannot shake the sinking feeling that this government simply does not care.

In November 1984 the finance minister presented Canadians with an agenda for economic renewal. Now, seven years later, he presents us with a plan for economic recovery. What does Canada have to recover from? It is the consequences of the misguided and failed policies of this Tory government; that is what.

Real interest rates, which have never been so out of line with those of the United States, are throttling our businesses and are a daily reminder to investors of the economic uncertainty into which this government has plunged Canada; an unacceptably high dollar which is crippling our exporters; a trade agreement which is leading to the deindustrialization of this country and forcing Canadians to downgrade their social programs to the level of those in the United States.

Now we are presented with the Minister of Finance's seventh budget and, God willing, his last.

I firmly believe that once Canadians have had a chance to comprehend fully what this document is attempting to do, what this government is attempting to do with this budget, they will understand the devastating implications of the Conservative agenda now laid bare for everyone to see.

Let us examine the facts. In 1984 when this government came to power it promised economic renewal. It promised to reduce the deficit and to curb the growth of the debt. Above all else, it promised jobs, jobs, jobs.

What have the government's economic policies brought us? They have brought us our first made-in-Canada recession, where interest rates have been pushed up past the breaking point for many Canadians; where today nearly 1.5 million Canadians are out of work;

where inflation is growing, not diminishing; where 34 consecutive tax increases by this government have foisted the tax burden squarely on the backs of lower and middle income Canadians.

The Minister of Finance now expects Canadians to believe him, that he has a firm grasp on what must be done and that Canadians should trust him and they should hang on just a little longer. I ask the minister: Why should Canadians believe him now? Why should we believe his deficit projections which have been so consistently wrong? Why should we believe his interest rate predictions which were so out of line in last year's budget? Why should we believe his Pollyanna promise of 2 per cent inflation in three years? His policies and especially the GST have actually increased inflation.

• (1830)

What the minister fails to make clear, what he fails to mention in his budget document, is that the consequence of trying to achieve these inflation targets will be unacceptably high unemployment.

We are now expected to believe that the Minister of Finance who got Canadians into this mess can get us out with this hocus-pocus plan for economic recovery. That is like asking Saddam Hussein to supervise the rebuilding of Kuwait.

His projections for the deficit this year stand at $30.5 billion. After several straight years of economic growth in the Canadian economy, is this the best he has been able to accomplish? How long are Canadians expected to hang on? Many Canadians are past the point of hanging on. Far too many have seen their jobs disappear. Far too many are fighting a losing battle in simply trying to keep their families sheltered and clothed and their children properly fed.

These Canadians have been ignored by the minister in this budget and, by ignoring them, the minister is punishing them, punishing them for being at the wrong end of the economic spectrum.

As members of Parliament we have often been accused of being cut off from the realities of day-to-day life in Canada. We have been accused of being insensitive to the needs of ordinary Canadians.

Some people ask: How can we understand the plight of a man in his fifties who without warning has lost his job and is unable to get adequate retraining as he watches his unemployment insurance benefits run out? How can we appreciate what it means for a single mother to be forced to line up at a food bank, for a young person to come to the realization that he or she cannot afford to attend university, for or a fisherman to have to sell his livelihood and that of his father and his father's father because he is being squeezed out by bigger and more competitive companies?

Maybe we cannot fully comprehend what these things mean to the people directly affected, but that does not mean that we should stop caring. That does not mean that we can fool ourselves into thinking that with brave projections as to likely economic trends, we will ultimately be helping these people. Economic indicators mean little to those who are desperately looking for work.

In Canada, people need help today, right now. This government has forgotten about them or has chosen to ignore them. They point to the pages of *The Financial Post* or *The Globe and Mail* and claim their actions are justified. No one is more guilty of this than the Minister of Finance.

I truly wish the minister had joined my colleagues and me in early February when we toured Atlantic Canada, asking ordinary Canadians what could be done to reverse the tide of economic woes which had befallen our country. I wish the minister had experienced the frustration these people are feeling and the desperate sense they have that their country is falling apart.

Again and again, the same issues were raised: aging infrastructure and the unwillingness of the government to address the problem. Excessive taxation which has left Atlantic Canadians with less money and less earning power, the gross mismanagement of the fisheries which has left fishermen and fish processors crippled, and a level of unemployment which some believe the government will never address.

Nowhere I believe are these feelings more passionately felt that in my riding of Cape Breton Highlands—Canso. Unemployment in Cape Breton is now over 17 per cent. Cutbacks in job training and increased UI premiums have left Cape Bretoners feeling that the problem is only going to get worse, because they feel this government does not care.

What else are they to think? Last January the government cut VIA Rail passenger service from Truro to Sydney, and repeatedly CN has sought to downgrade portions of its service on the island. The application to partially close the swing bridge at the Barra Strait is yet another example.

In December this government closed the CBC station in Sydney and ended one of the most popular CBC programs in Atlantic Canada, *Land and Sea*.

This government has refused to support the request by Scotia Synfuels for assistance to establish a coal liquefaction plant at the Strait of Canso, which would use Cape Breton coal in an environmentally friendly way.

Indeed the minister of industry refuses to meet with the principals of this important project which has the support of community and business leaders across the island. Decreased transfer payments have jeopardized the ability of my riding's most famous institution, St. Francis Xavier University in Antigonish, to provide a quality education to its students.

It currently faces an $800,000 operating deficit, which is forcing it to reconsider many of the programs currently being offered. What makes this all the more ironic is that St. FX is the Alma Mater of the Prime Minister himself, the self-styled education Prime Minister who has claimed on the one hand that education and skills training are vital to Canada's ability to compete internationally. Then, on the other hand, he has allowed his Minister of Finance once again to continue the freeze on transfer payments, crippling our universities and forcing drastic cuts in job training programs.

My constituents need take no lessons from this government about the impact the recession is having on our economy. My constituents understand what this latest budget is about. It is about more unemployment, more cutbacks, more essential services lost, and more economic desperation. All this in the part of the country that has already seen more than its fair share. I say this knowing full well that what is true for Cape Breton Island is also true for much of Atlantic Canada.

What is most disturbing about this budget from an Atlantic Canadian perspective is what it does not do. It provides essentially no hope for the people who are feeling the brunt of the recession.

Rather than provide for additional retraining funds for the unemployed, the government has cut $100 million from the Canadian Jobs Strategy program. Instead of encouraging businesses to hire and train unemployed workers, this budget increases unemployment insurance premiums by nearly 25 per cent. These higher UI premiums are a direct tax on jobs, a new tax on lower and middle income workers and on the businesses across the country.

This is a new tax being levied right in the middle of a recession, on the heels of the government's most massive and complicated new tax grab, the GST. It is yet another tax which will force additional businesses to lay off workers and drive others closer to the brink of bankruptcy. So much for Tory economic logic. So much for Tory compassion.

Farmers will receive $1.3 billion in this budget. That is something, but for fishermen in Atlantic Canada and elsewhere still facing a crisis in their industry there is nothing. How should the fishermen feel, Mr. Speaker? I will tell you how they feel. They feel forgotten, ignored and betrayed.

Fishermen understand what recession is all about. They also know what it is to be cast adrift by a government that has simply stopped caring about what happens to them.

In talking to fishermen over the last couple of days, one question has been asked of me over and over again: Who is supposed to represent us in cabinet? Why, when we are facing a crisis at least as serious as the one facing farmers, are we being ignored?

The answer is simple. The current minister of fisheries has simply grown tired of dealing with fishermen and representing their concerns. He does not care any more. In fact, the same minister was recently quoted as saying that he wants to spend less time dealing with the crisis in the fisheries and spend more time dealing with the issue of national unity.

That is a fine thought. If this minister does for national unity what he has done to the fisheries, then we may as well all pack up and go home right now.

The Acting Speaker (Mr. Paproski): It being 6.37 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.37 p.m.

HOUSE OF COMMONS

Friday, March 1, 1991

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Thursday, February 28, consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government; and the amendment of Mr. Gray (Windsor West) (p.17722).

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, I would like to express my pleasure that I have an opportunity to rise today to speak on the hon. Minister of Finance's most recent budget, a budget which comes closer to addressing the needs and expressed desires of Canadians than any other budget which I have seen before this House.

There has been one very clear message which I have received as a politician during the course of the last few years, and particularly during the course of the last 12 months. A frequently expressed desire on the part of my constituents, and I believe other Canadians, is that the Government of Canada must show leadership and take the necessary steps to start to address the problem of the national debt and the annual deficit.

Canada's national debt is now reaching the total of some $400 billion. I suspect that many of us live in a world where the magnitude of $400 billion is not entirely clear to us. When you think in terms of $400 billion meaning a debt of some $13,000 or more per capita, I think that figure becomes more comprehensible for us as Canadians.

When I speak to people of all ages, I find a very broad consensus on the fact that that the problem of the debt is one which is starting to worry and, in some cases, starting to almost terrify some Canadians.

When I speak to senior citizens or when I am in discussion with grandparents, they often raise the question of the debt and what the implications will be for their grandchildren. In fact, I find that many senior citizens—and I know that their economic circumstances are somewhat at variance with others—are saying: "We are enjoying many benefits today which we have not previously enjoyed in life."

I have had some senior citizens say to me that they are better off in economic terms than they have ever been before in their life. That is not to suggest for a moment that all senior citizens fall into that category.

What they go on to say is the fact that they are concerned for their children, and particularly for their grandchildren.

To some degree, I suppose, their abhorrence of debt is a reflection of the fact that they lived during the 1930s. They were parents during the 1930s and had the responsibility of trying to raise others at a time when there was immense depression in Canada and elsewhere throughout the world.

One of the by-products of the 1930s for many people who lived through it was the determination that they would never ever again become the victim of being in debt because they realized how vulnerable they were in that situation.

I come from western Canada. Part of the tragedy of the 1930s was not only the loss of jobs but the loss of farmland which occurred. A real crisis developed due to the fact that people who were in debt could not meet their obligations.

Their generation, particularly, is dismayed by the policies of government at all levels, which originated in the 1970s and into the 1980s, where we began to spend money which we did not have.

It is ironic that we began to spend money at a time when we did not need to spend money.

• (1010)

In any event, we have a legacy today, a legacy of debt which we are leaving to future generations, of almost $400 billion. Each of us in this Chamber understands that that figure must continue to grow because of the interest on the debt. We have a situation today where the interest on the accumulated debt is now some $43 billion.

Although we have been able to make progress as a government, since 1984, in having a balance in our favour, in terms of operating costs, that debt, which is a burden, a millstone around the necks of all Canadians, means that the debt continues to grow each year because of the interest on it.

What I see in this budget is a determined effort by the Minister of Finance and his colleagues to address the question of the annual deficit. When that is addressed we will be in a position to address the issue of the national debt itself.

I sense from the reports which I have had from my constituency and conversations which I have had with my constituents that this budget, quite frankly, is being received better than any other budget that we have brought down since we came to power in 1984. One of the reasons for this is that we are focusing less on spending and more on saving.

One of the ironies of being a politician, when you come to meet with your own newspaper people after a budget, is that very frequently the question which they ask is: What is in this budget for this constituency? In this case, what is in this budget for Brandon—Souris?

The interesting thing about that question is that there is an implication that no budget can be relevant to my constituency, or perhaps to any other constituency in Canada, unless it is a spending budget which is bringing them dollars from the Government of Canada, i.e. from the people of Canada. The interesting thing this time is that I did not hear that question being asked as frequently as I have in the past. I think there is a very broad consensus, including among the journalists of Canada, that we are at a crisis point and we must continue to save.

A second theme which I heard frequently throughout this year was that the federal government must show leadership and must begin to get its own act in order. I suggest that we have made some progress in that regard. For example, there are now 12,000 fewer civil service positions than there were in 1984. There are many people in my constituency who are pleased by that, because they believe that government has grown larger than they, as Canadians, can afford.

They have been saying in the province of Manitoba, and certainly in the constituency of Brandon—Souris, that we must show leadership by ensuring that some caps and restraints are put in place on these huge federal-public expenditure programs, of which we are a part.

I believe the decision of the federal government to ensure, for example, that there will be regulations on spending during the course of the next five years, regulations put in place by law, will be well received. I believe that the decision to cap civil service salary increases by 3 per cent will be well received by the majority of my constituents—not by all of my constituents, of course. I believe the fact that the cabinet will take a freeze in salary for the upcoming year will be well received. I believe the fact that the salaries of members of Parliament and senators are to be more tightly constrained will be well received.

I believe that most Canadians will understand that we are in fact trying to place our own house in order and they will understand, therefore, that we can quite rightly turn to the provinces and to other levels of government and encourage them to accept our leadership as well.

Another issue which I heard a great deal about this year was the GST. I have spoken in the House before about a meeting I had in my constituency at which those present indicated in no uncertain fashion their displeasure with the GST.

Having said that, a second part of their message to me then and later was the fact that they would find the GST to be a more tolerable tax if they were certain the revenues would not be used to fund new government programs. They were afraid that any additional revenue that might be derived from the GST would go to create new programs, which has characterized government spending since the beginning of the 1970s.

The fact that GST revenues will be directed toward a deficit reduction fund will be very well received in my constituency. The fact that the resources from privatization will be directed toward such a fund will be well

received in my constituency. The fact that Canadians, if they wish, can make direct contributions to such a deficit reduction fund will be well received in my constituency. The fact that there may therefore be, once the economy turns around, more revenue from this particular tax than we might have anticipated will also be more acceptable to my constituents because it will be directed specifically toward deficit reduction.

The question of transfer payments is, of course, important to the province of Manitoba as it is to many other provinces. I would like to spend a few moments looking at that, if I may.

I come from a constituency and a province in which we have depended to a very substantial degree on transfer payments. In fact, some recent research which has come to light indicates that Manitobans on a per capita basis have benefited more significantly from the transfer payments and from the federal government's sharing of moneys than have citizens of other provinces, somewhat to the surprise of my own constituents.

It is important to understand that the transfer payments to the province of Manitoba, as they will to many other provinces, will increase with this budget as they have done with previous budgets. Not to the extent that our friends in the provincial government would wish, because they are obviously anxious to receive as much revenue from outside their own jurisdiction as they can. Transfer payments will increase to the province and the Government of Manitoba, according to my calculations, by 3.1 per cent. I think it is important to stress the fact that there will be an increase because there are so many people who talk in terms of "reductions in".

There is an assumption, therefore, when you read only the headline, as many people are inclined to do, that provincial governments, including the government of Manitoba, will be receiving less money in the future than they received in the past. That is not the case. Indeed, they will receive more money in the coming fiscal year than they received in the current or the previous fiscal year.

According to my calculations, Manitobans will receive $1,720 per person in the form of transfer payments from the Government of Canada and that constitutes a very significant part of their budget, somewhere in the vicinity of 37 or 38 per cent, if I recall correctly.

I also want to make it clear that there has been an immense amount of concern in my province, as in other provinces, with respect to the needs of agriculture, and I represent an agricultural constituency. When I say that, I include the city of Brandon in that definition, because certainly the business community in Brandon is exceedingly dependent upon agriculture. We are living in very, very difficult times in the field of agriculture.

As I stand here, I am proud that I can say to my constituents and to this House that support for agriculture has been and continues to be a very obvious priority for the Government of Canada. In fact, our support has increased—

An hon. member: Nonsense.

Mr. Clark (Brandon—Souris): My hon. friend say it is nonsense. If he will check his statistics he will understand, perhaps, more clearly than he does now that our support for agriculture has increased by some 500 per cent in terms of direct payments to farmers since we came to power in 1984. My constituents understand that, even if my hon. friend who represents the constituency of Kingston and the Islands does not. In this budget there is an additional $1.3 billion for agriculture. At a time when the government is cutting back in other areas, it is continuing to provide more money for agriculture. It may indeed not be enough. There is money in the reserves within the estimates and I would suspect that we as a government will have to make use of some of those reserves to assist with some sort of additional form of assistance to agriculture.

• (1020)

In the meantime, we in this budget are providing the funds necessary to support two exceedingly important agricultural stabilization programs, the program which we know in the west as GRIP and the program which we know in the west as NISA.

Unfortunately, in the province of Manitoba, the government has not yet decided under what circumstances it will participate in the GRIP program and it has indicated that it unfortunately does not believe that it can financially participate in the NISA program. If indeed that is their decision this year, I will regret it but I would hope

that the government will be able to participate next year; that it will understand the importance of doing so.

There is also in this budget new financial assistance for the disabled. I would like to mention in passing that I am particularly pleased to see that not only because the disabled of Canada have some very special needs that often go unrecognized, but particularly because as I stand in this House today I am conscious of the fact that I am the successor to the Hon. Walter Dinsdale who served this House for some 31 years and who throughout that entire career demonstrated a very strong commitment to the disabled. I know that if he were here today, he would be very pleased to see the provisions in this budget which would help meet the needs of that particular constituency.

I am also conscious of the fact that in this budget there is additional spending, perhaps more additional spending than some of my constituents would prefer. There is additional spending to assist with the needs of the unemployed. We are conscious of the fact that we are in a recession. The newspapers seem to suggest to some degree that this recession is worse in Ontario and perhaps in Quebec than it is in the west. I personally would differ with that on the grounds that the recession came to the west in my mind before it came to the eastern part of Canada. However, things that happen in the west are not always as well noted by the media of Canada, unfortunately. Nevertheless, the reality of the recession is there and there are some provisions to try to assist with that.

I think that the most important theme within this budget is the theme that suggests that we as a government understand that Canada can go only so far down that very slippery road to massive debt. There is also a theme within this budget that if we are to address the problems of that debt, there are no easy ways of doing so.

I think that is worth noting because I am afraid there is a certain inclination with some of my constituents and undoubtedly with other Canadians to assume that there is some sort of easy solution to the reduction of the deficit and to the abolition of the debt. I dare say that any of us, as members of Parliament, or any of those who are watching, could probably create their own wish list of what could be abolished, what programs could be cancelled and where we could save money. I would think that most of us could identify $1 billion in savings that we would gladly put in place.

With human nature being what it is, that $1 billion saving that we would come forth with would probably not include many programs, perhaps not include any programs, which would impact upon us as individuals because there is obviously a human tendency to want to make savings at the expense of someone else, someone perhaps of a different class, someone who works in a different profession, someone who lives in a different city, someone who lives in a different provinces or a different region. The reality as we well know is the fact that we cannot easily reduce the deficit, which will be some $30 billion this year. We cannot do that in such a way that does not impact upon us as individuals.

I am reminded as I speak of certain reductions and savings which we have made in the past. I am reminded, for example, of the fact that we proposed in a previous budget to reduce the subsidies to VIA by some $300 million over an extended period of time. We did that because the required subsidies for VIA were going out of sight; $600 million with the evidence indicating that the subsidies would eventually reach $1 billion per year.

When we did reduce those subsidies we heard very quickly from those who would be directly impacted by it and even from many who had not made use of VIA for a long, long time. One of my most vociferous critics on the question of the reduction of VIA subsidies mentioned to me once in passing that he had not been on the train for seven years. I guess the message there is that if we are going to reduce subsidies to VIA or if we are going to reduce subsidies in any other given program, it is going to impact upon us wherever we live.

There are no easy ways to reduce the deficit. Surely if we are honest with each other we would understand if there were an easy way to reduce the deficit and reduce the national debt, governments would have found it in the past.

What we are asking now in this budget is that Canadians realize first of all that we are committed to the task of deficit reduction and, second, that we are prepared to provide leadership ourselves and, having done so, we can rightly call upon other Canadians to follow in that example.

This debate and this budget are about more than just the next fiscal year. This budget is about the directions Canada will follow in the next decade. That is why this budget, in my mind, may well be a bell-wether for budgets to come.

What we are saying to the people of Canada is that we currently must take 35 cents out of every dollar of the tax revenues which we receive in order to service the debt. We can no longer afford to do so and we must ask others to join with us in ensuring that this budget in fact is a beginning of what I hope will be a crusade to attack the deficit and eventually to reduce the national debt.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I also represent an area, as does the hon. member, that depends largely on transfer payments. He mentioned that there is no easy way to reduce the deficit and I agree.

I would just like to ask the hon. member for Brandon—Souris some questions in terms of how this government is trying to reduce the deficit. Why is it trying to reduce the deficit on the backs of Canadians who may not necessarily have the resources to succeed as much as other Canadians? I am talking about the $100 million which is what I believe has been cut from the Canadian Jobs Strategy, some cuts in the Canada Assistance Program, some cuts in the native programming, or outright elimination of some native programming, cuts in the CBC programming, and cuts in what I consdier a very important area, the environmental green plan, which would have tried to do something about the pollution that is occurring in the north not because it is our fault, but because international forces are creating pollution in the region.

If we are going to be environmentally conscious in the future, I am wondering why we are cutting back on the environmental spending? Those are the questions I would just like to ask, as well as some others about other services that have been cut such as the Postal Services Assistance Program for the north.

• (1030)

Mr. Clark (Brandon–Souris): Madam Speaker, my thanks to the hon. member for his series of questions, because he has introduced several themes that I think are important to address.

Perhaps I might begin by dealing with them in reverse order, if I may. He refers to the environment and, I think, if I heard him correctly, he talked about cuts in spending on the environment. The reality is, as the minister indicated in the House yesterday, this government is providing an additional 20 per cent to 25 per cent to the Department of the Environment to be used during the up-coming fiscal year. There is no reduction in spending for the Department of the Environment, in fact it is just the very opposite.

First of all, in the estimates tabled yesterday, there is an increase of 4.7 per cent to the department itself, and there is an additional $250 million being provided under the green plan.

When the hon. member made his comments, I think he was referring to the fact that the green plan is being extended from some five years to six years. That is true, but what is important to understand is that the entire objective of the green plan remains intact. All of the strategy within the green plan remains intact. We will, for example, still plant 325 million trees, but we will plant 325 million trees over six years instead of over five years.

When speaking of the green plan, I think it is important to remember that this is the only government in Canadian history that has ever developed any long-term strategy for the environment. This is the only government in Canadian history that has ever put in place a long-term—in this case now six years—spending program for the environment.

While we might differ on what should be in that program or how rich it should be, the significance in that accomplishment should not be lost by either the House or Canadians in general.

The hon. member refers to the CBC in terms of reductions and spending for the CBC. One of the things that I sometimes discuss with my constituents is the fact that we, as a government, as a country, must have priorities in spending just as we as families must have priorities in spending. None of us in our own family situation or, I suspect, none of us who are members of Parliament at least, can afford to do everything within the family that we would wish to do, nor can we afford to do everything for the family that we would wish to do. Government is really no different than that.

I guess what I would say in return to the hon. member is that when the time comes to establish priorities, we must again make some tough decisions, decisions that will not necessarily be popular in all parts of the country, nor are they necessarily the decisions which would be made by each and every Canadian. I look at this budget and I see certain reductions in place.

The hon. member has mentioned the CBC. Let me mention the proposed cultural research centre for the city of Montreal or the proposed expenditure of $88 million on the ballet centre in Toronto, and the cultural centre that was proposed for Edmonton. I can appreciate that each of these proposed programs has merit, and I can appreciate as well how they are important, particularly to the people who would be directly served by them. However, I would also suggest to the hon. member that the vast majority of my constituents, but not all, would place some of these proposed expenditures on a lower priority. They would give them a lower priority than others would. I think they will understand, therefore, how we cannot provide each and every proposal with the kind of dollars they would wish.

With respect to the Canadian Assistance Program, I think it is important to understand that those provinces, such as the province of Manitoba, which receive transfer payments will be as fully funded under CAP as they were in the past. Yes, transfer payments under the EPF, the Established Programs Funding, are frozen, but not under the Canada Assistance Program.

With respect to the Canadian Jobs Strategy, I, for one, am pleased by the innovation which I have seen in the Canadian Jobs Strategy but there are many who were very sceptical of it, including some in my own community who traditionally provided some of these training programs at community colleges.

I think, by and large, the money which has been spent has been useful. For one thing it has provided more flexibility than we have had in the past. So I like the strategy. I also understand that we have not fully utilized some of the moneys in the past so I gather there is some flexibility in that regard.

Finally, with regard to the ability to pay, the question of transfer payments. This is a major issue in my province. I would like to remind the provinces that the government requires 35 cents of every tax dollar to service the debt. They, on average, only require 12 cents of their revenue dollar to service their debt. Those figures in themselves suggest to me in terms of ability to pay that we have less manoeuvrability and less flexibility because of the debt and the cost of servicing that debt than do our provincial colleagues.

We are not asking them to do anything more than we are willing to do ourselves. But we are asking them to share in the task of dealing with the burden of the national debt because it is a national problem. It is not just a problem of this government. It is not just a problem of this Parliament. It is a problem for all of Canada, and the implications are real and will be severe for those who come after us.

It is easy for politicians to spend money. Normally when we spend money, the people who receive it are pleased, there is publicity, we are doing something, we are bringing something to them. We are at a sad state of affairs if we have reached the point in Canada when the only criteria for accomplishment, when it comes to measuring the history of a government, is the fact that it spent more money than previous governments.

That is not what is being asked of us. What is being asked of us now is that we accept the task of providing leadership, of making difficult decisions, sometimes even unpopular decisions and clearly we suffer as a result in terms of the public opinion polls. It is important to provide that leadership because the decisions which we are making today are not designed simply for our benefit as politicians or for this generation; they are designed for the benefit of future generations.

Mr. Angus: Madam Speaker, I rise on a point of order to seek the unanimous consent of the House to allow any member who wishes to do so, and who is prepared to announce it at the commencement of his or her speech, to share the time with another member from his or her caucus. That would allow us a ten-minute speech followed by a five-minute question and answer period followed by another ten-minute speech and a five-minute question and answer period for the full 30 minutes.

There has been some informal discussion among the parties. I am not sure if on the government side word has gotten through from the lobby, but I did consult with the officials there, as well as with the Official Opposition. I think you will find there is agreement to do what we

normally do in matters like this to allow more members to speak.

Madam Deputy Speaker: This is something that has been done quite often in the midst of major debates.

The House has heard the suggestion of the hon. member. Is there any objection to the possibility of members sharing their 20–minute time?

Some hon. members: Agreed.

Madam Deputy Speaker: Agreed. The Chair would appreciate if the lead member would announce it so it would be easier for the Chair to keep note of the time.

Mr. Vic Althouse (Mackenzie): Madam Speaker, in compliance with your recent announcement, I will be using ten minutes of the time and sharing with another member of my caucus.

I should remind the House that I represent a rural constituency made up of farms, small towns and small cities. It is the kind of constituency that the Conservative Party has traditionally considered itself as speaking for. But, over the past seven or eight years that tradition has fallen apart very sadly.

• (1040)

Now when I go into small towns to meet with chambers of commerce and councils, I find that they are worried about what is happening to their post offices. One of the few federal profiles in each of these communities is the federal post office, now being closed in many communities, shifted over to being privatized or, in some instances, disappearing altogether.

Usually the second federal profile that occurs in my small communities is the RCMP. The federal government at this very moment is busy trying to push off more of the cost of financing the RCMP on to these local municipalities. While most economic analyses show that 30 per cent of what the RCMP do in those rural communities is looking after federal responsibilities, the federal government is saying that is too much for us to bear, let the provinces and the small towns and small cities look after it.

The end result for some of the small cities is that they are placed in an almost impossible situation. They are in the position of hiring a police force of their own of four or five people at a cheaper rate than what the federal government is asking them to pay for the RCMP. Now these people do not want to give up the national police force. They believe in it. They are proud of it. Yet this last symbol of federalism in rural Canada is being pulled away by an off–loading of costs by the federal government.

Last, the thing that all small communities take some pride in is their local weekly newspapers. Canada Post, through a directive from the federal government to show a profit, has now decided that they are going to increase very dramatically the postal rates on those small community newspapers. All of the weekly papers which ship beyond a 40–mile radius have huge increases in postal costs, 10 times, 11 times the amount that they are paying now is being asked. This puts a further burden on holding small communities together, particularly in the prairies where 40 miles is barely the area which they service with the closure of towns and the thinning out of the population.

This budget, when you listen to the government's side, is a budget that has not raised very many taxes, except for a tobacco tax. They claim that there has been no increase in cost to people, that this is a hold the line budget and that this is an effort to reduce expenditures and get at, if not the national debt, certainly the annual deficit.

When you look at what is being put forward, you can readily see that the deficit is really not being cut. It is still at $30.5 billion. It has been hovering around $30 billion for the last seven years. The national debt has increased to in the neighbourhood of $400 billion, which has more than doubled in the period of time that the Conservative Party has held power. However, when you start looking into the budget, you see that there are a lot of extra costs that taxpayers and ordinary people are going to have to bear with the continuation of the program that this government put in place over previous budgets.

I recall David Suzuki, in a different context, trying to explain how the environment was getting into big trouble. He said we are all like the frog that is put into a pan of water and the heat is put under it. It begins to get warm and the frog sits there and becomes so insensitive to the extra heat that eventually it cooks. That is, to some extent, what is happening to people in rural Canada with this increased and continuous pressure from the federal government to put more costs on to them.

The costs that have been added this year, which are not mentioned in the budget but are there, are the increased amounts of taxes which people will have to pay because of a continuation of deindexing.

In the personal income tax system alone this affects people. Adding up the reduced purchasing power of the family allowance because of the continuation of deindexing, the continuation of the clawback on family allowances and old age security, the reduction in the buying power of the child tax credit maximums and the income thresholds, the reduction of the buying power of the income tax brackets that are established, the reductions in the buying power of the value of the tax credits for personal, age and the married and child credits, we can see that the combined measures of this particular program being continued for this year will cost each family in Canada about $300 per year, an increase in tax revenues of about $1 billion.

As well, we have increases to the unemployment insurance accounts. It is not called a tax increase but it is about a 25 per cent increase in the amount of deductions that will come off working peoples' cheques to pay their share of the unemployment insurance program and employers will pay an equivalent percentage increase. This is in spite of the government having just changed that legislation in recent months to make the unemployment insurance fund self-sustaining, meaning no tax dollars go into it directly. We just collect through levies.

We were assured at that time by the government that the levels that were set in that legislation would remain for at least three years. Less than six months later there is a 25 per cent increase. That comes out of peoples' pockets.

As well there is the off-loading of costs from the federal government to the provincial government. My time only allows me to go into a few of them, but in my province the off-loading of health costs and post-secondary education costs through the Established Programs Financing means that Saskatchewan will lose funding from the federal government of $348 million in health care dollars and $140 million in post-secondary education financing over the next five years. That means there is about $100 extra cost per man, woman and child in Saskatchewan this year. Added to the off-loading of federal responsibility for farm programs on to the provinces and individuals, the result is a tremendous figure.

Saskatchewan will be participating in the GRIP program. That means their annual charges at the provincial taxpayer level will be about $200 million, which almost quadruples the amount that Saskatchewan spends on agriculture. The bill that the farmer is asked to pay, including increased costs for crop insurance and GRIP, will be somewhere between $1 billion over the next five years for the province and between $1.5 billion and $2 billion over the next five years for producers. Just in additional provincial taxes, if the province wants to maintain the barely adequate service that they now have in health care and post-secondary education, it will cost every man, woman and child in Saskatchewan an additional $300 per year, thanks to the actions of this government in this budget. To say it is not a budget that increases taxes is completely false.

The last thing I would like to refer to, because few people have mentioned it, is the government's bogus effort to control spending. The government is proposing to implement legislation that would limit the amount of spending that it can engage in for each of the next few years. If the government is interested in that, it would recognize that the buck stops there. No one on this side of the House can initiate spending.

• (1050)

No backbencher on the government side of the House can initiate spending. Only the Prime Minister and his inner cabinet can initiate spending, by getting a royal recommendation. If the government wants to control spending, it can be controlled right there. The legislation they are proposing has so many provisos for breaking the rules that essentially it remains the same rule that we have followed for 123 years in this country; namely, that the Prime Minister and his inner cabinet decide when expenditures shall take place. And passing a "no spending" law will not change that.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I rise to speak on this budget with a comment that will I follow up with what I have to say. This budget is mean spirited, vindictive, and Draconian. In fact, this budget reminds me of a book that I read a number of years ago when I was first entering the workforce, a book called *The Iron Heel*.

An hon. member: In 1986.

Ms. Joy Langan (Mission—Coquitlam): No, it was a little longer ago than 1986.

When I read *The Iron Heel*, I could not believe that in the two countries in North America that I was most familiar with in those early days, Canada and the United States, the kinds of things that happened in that book could in fact happen to working people, to the citizens of our countries. And yet looking at this budget, *The Iron Heel* is in fact coming down on the necks of the men and women who make this country strong through their work.

This budget continues the Tory attack on social services and renews its attack on the workers of this country. The Liberals gave us six-and-five; this government is giving workers three-and-two. If we remember what happened under six-and-five, I suspect that three-and-two will create even further suffering in this country.

This government has singled out public sector workers in its attack. It has used the threat of legislation to renege on its obligations to bargain with its employees in good faith. This government threatens back to work legislation if workers in the public sector exercise their legal right, and legitimate right, to strike. It threatens workers with lay-off if they negotiate a wage increase.

The effect of this budget on public sector workers is that for every 1 per cent increase they negotiate, they will be faced with a lay-off of 2,000 colleagues. What would be the point in accepting a 1 per cent salary increase in one hand and accepting a pink slip in the other hand? What kind of an option is that at the bargaining table? What kind of a pre-emptive strike has the government introduced at a time when this very week it has arrived at the bargaining table with the Public Service Alliance to negotiate the next round?

This legislation has clearly singled out public sector workers for wage restraint. This government has told public sector workers that they, loyal servants or not of the country, of this government, of all of us, will carry the burden for the terrible economic policies that this government has continually introduced since 1984.

It is also important to consider that, in addition to the attack on public sector workers, this government has singled out transfer payments to the provinces for further cuts. This means cuts to those on welfare, cuts to hospitals, and cuts to colleges and universities.

These cuts will mean further lay-offs of health-care workers, of social service workers, of education workers. It will mean reduced services. It will mean increased hardship.

The Tory-made recession has already thrown hundreds of thousands of workers on to the unemployment insurance system and into the social service system. This budget ensures that these workers will suffer more and carry the brunt of the costs of this recession. In fact, Mr. McCracken from the right-wing Informetrica estimates that this budget will cost an additional 68,000 jobs.

The finance minister has made much of the fact that there are no new direct taxes in this budget. What he fails to mention is that the GST has cut into the household budget of Canadians already. What he fails to mention is that increased UI premiums will cost workers more, after a promise during the debate on Bill C-21, the changes to the Unemployment Insurance Act, that there would be no increases.

What he fails to mention is that provincial governments will be forced to recoup shortfalls in transfer payments from individual taxpayers, yet again the very people this government is attacking under this budget.

The minister has forecast double-digit unemployment rates, up to 10 per cent this year and 9.8 per cent next year, yet, there is no money for job creation.

Recent Stats Canada data show an additional inflation rate of 6.8 per cent. This will mean family allowance and old age security payments will decrease in real terms as they are only partially indexed to inflation. Families and seniors will suffer. The threshold for the clawback of these payments will rise, capturing more and more needy Canadians in its claws.

Inflation alone will add $300 to the tax bill of average Canadians—this on top of the GST.

We see cuts to labour adjustment programs, especially those aimed at helping older workers. When a worker in this country is laid off between the age of 45 and 65, the chances of being re-employed at a level that will

maintain his or her existing lifestyle, is tremendously diminished. This government had the temerity to cut labour adjustment programs.

We see cuts to the Canadian Jobs Strategy, this only months after the minister for employment made much of the new money being directed for training. There is no new money. It is smoke and mirrors. There is a shift and they are shucking and jiving. There is no new money.

Contrary to what the Minister of Finance said, this budget is not about shared responsibility. It is not about sharing the burden for the recession. Sharing the burden does not mean letting the wealthy off the hook. Sharing the burden does not mean letting big business off the hook. Sharing means fairness and this budget is not about fairness. It is about punishing Canadian families for Tory mismanagement.

The most optimistic of us cannot help but see that this budget is an attempt to break the back of organized labour in the public sector. It directly attacks public sector workers.

Yesterday the President of the Treasury Board announced that his government will be legislating contracting out of public sector jobs. This will mean, in fact, violation of the existing collective agreement. Does this mean that the end of free collective bargaining is happening in the Public Service? Is the minister in fact telling Canadians that this government's signature on a contract means nothing? Has this government become so bankrupt that it has abandoned all principles?

In closing, I would like to say that if the finance minister is truly interested in the bottom line, there is no doubt at all that the bottom line would include an investment in Canadian workers and in their families, the very people who labour to pay for government services, people who are unemployed and want to be part of the growth and redevelopment of this country. They need the tools.

[*Translation*]

Madam Deputy Speaker: The hon. member's time has now expired. It being eleven o'clock, pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PUBLIC SERVICE

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, this morning members of the Liberal caucus met with 20 unions, representing more than half a million workers in the federal and provincial public sectors, to discuss the inane measures announced earlier this week by the finance minister.

The Public Service Alliance of Canada has 140,000 employees out of a total of 165,000 members in a negotiating position with Treasury Board. The Professional Institute of the Public Service has 22,000 employees out of 25,000 members who have been without a contract since before September 1990 and 10,000 of those are employees who are in a legal strike position.

It is quite clear from these figures that this government waited for exactly the right moment to introduce wage controls. The government waited until the majority of its employees were in a negotiating position before attacking. The government took advantage of a vulnerable Public Service and is forcing its workers to fight each other.

It is also clear that this government has one goal in mind and one goal only, the complete dismantling of Public Service unions at the federal level.

* * *

[*Translation*]

CANADIAN ARMED FORCES

Mr. Allan Koury (Hochelaga—Maisonneuve): Madam Speaker, I wish to thank all those who called and wrote, and all the people I met, who expressed their support for our Canadian troops and the government during the gulf crisis.

Thank you Rosemont, thank you Hochelaga—Maisonneuve!

[*English*]

ARTS AND CULTURE

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, yesterday the government cut $18 million from the cultural sector in Canada. This is a terrible loss. This government does not realize how important the arts are in increasing understanding among Canada's different cultures.

Last night I attended the Ottawa premiere of an outstanding aboriginal play, "Dry Lips Oughta Move to Kapuskasing", written by Tomson Highway, a Cree Indian from Manitoba.

The performance last night was in support of the Canadian Native Arts Foundation. This foundation was established by John Kim Bell, a Mohawk Indian, to assist native youth with artistic talent to achieve their dreams.

I commend the Canadian Native Arts Foundation, Tomson Highway, and all the native actors, including Graham Greene, for a superb performance.

Aboriginal artists are emerging as a major cultural force in this country. I encourage everyone to see this play. It is full of deep spiritual meaning. I urge the government to stop cutting and to assist and support aboriginal languages and cultures.

* * *

[*Translation*]

MINES AND MINING

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, construction will start this year in Quebec on a new CANMET mining research laboratory, at a cost of $15 million over a period of 5 years. The laboratory, which will have access to the Dorval mine in Val-d'Or, will be used to test mining methods, procedures and equipment.

Thanks to the active involvement of representatives from the mining, economic and political community in the Val-d'Or area, and of course the tremendous work done by Benoit Bouchard, Jake Epp, CANMET officials and the Prime Minister of Canada, this laboratory will open its doors very shortly in Val-d'Or, Quebec.

Madam Speaker, since 1984, I have defended the Abitibi region in Ottawa. That is what Quebec Tory members do in Ottawa. Thank you, Michael Wilson!

* * *

[*English*]

THE LATE DR. GUILLERMO UNGO

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, Dr. Guillermo Ungo, Leader of the National Democratic Revolutionary Party of El Salvador, died February 28 while recuperating from brain surgery in Mexico.

Dr. Ungo, lawyer and academic, spent the sixties helping to organize a democratic socialist movement in which he became a leader in 1968 and formed a coalition with other parliamentary parties for peace and democracy.

After many coalition leaders were massacred in 1980, he travelled the world raising international support for peace and democracy in his homeland. In 1978 he was elected a vice-president of the Socialist International.

In 1988 he returned to El Salvador as presidential candidate of the Democratic Convergence in the March 1989 elections.

Since then, he campaigned for freedom of speech for churches, unions and other community groups in a national dialogue for peace. His party is contesting the mid-term elections in El Salvador on March 10, 1991. He is remembered for his motto "It is not possible to be a democrat without being a revolutionary, nor to be a revolutionary without being a democrat".

* * *

[*Translation*]

RESTORATION OF PEACE IN PERSIAN GULF

Mr. Jacques Vien (Laurentides): Madam Speaker, two days ago President Bush announced that operations in the Persian Gulf had been suspended, a moment we were all looking forward to. We can now expect peace to be restored in that part of the world, and we can only hope it will be a lasting peace. We must never forget that during these recent events, peace was always the primary motive in decisions made by this government. Our basic objective was to restore and maintain peace. I think this

reflects honourably on all Canadians. We shall continue to sursue that goal.

* * *

[*English*]

THE ECONOMY

Mr. Réginald Bélair (Cochrane—Superior): Madam Speaker, two weeks ago, the Northern Ontario Liberal caucus held meetings to hear presentations on the economy of the region. No one was surprised as each of the 57 witnesses confirmed this government's dismal handling of the economy. The government has created a "made–in–Canada" recession with its high interest rate policy.

The softwood lumber industry has crumbled. Exports to the U.S. are practically nil. The flow–through shares program was cancelled last year. Mineral exploration is down to 15 per cent from what it was five years ago.

In addition, the budget has cut $100 million from the job–training program. This will affect our youth and our laid–off workers.

Furthermore, the high cost of living that has resulted from the GST means that northern residents will not have that extra cash to invest in their RRSPs anymore.

This budget should have been introduced five years ago when the economy was strong. No, this government has chosen to hurt needy people while leaving their corporate friends unscathed.

* * *

THE BUDGET

Mr. Rod Murphy (Churchill): Madam Speaker, this Conservative budget actually threatens to legislate contracting out.

What does this mean? It means that qualified government employees will see their jobs being given to this government's friends. It will become the worst institutionalized abuse of patronage, kickbacks and money laundering in history. These consultants, who often have no expertise and no experience, will receive their rewards through untendered contracts.

Tory bagmen, candidates, election organizers and contributors will charge the government hundreds of dollars per day for work that could have been done by qualified regular government employees for a mere fraction of that rate.

In the last seven years, Conservatives have hired thousands of their friends through contracting out.

The Liberals were no better. One untendered contract was given in Manitoba to not one, not two but to three Liberal candidates, one of whom is now a member of this House.

Before the government is allowed to institutionalize and expand upon through legislation the abuses of themselves and the Liberals we need a truly independent report of the experiences of the last decade. Who received contracts?

[*Translation*]

Madam Deputy Speaker: I am sorry, but the Hon. member's time has expired. The hon. member for Manicouagan.

* * *

ASSOCIATION DES NORD–CÔTIERS

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, I would like to pay special tribute today to a group of men and women on the Lower North Shore in the riding of Manicouagan, who worked very hard during the past three years to set up the *Association des Nord–Côtiers*.

[*English*]

Three years ago, the Coasters Association was a dream in the mind of a few men and women from the Lower North Shore. This dream became reality during the weekend of February 16 and 17 when over 100 people met in La Tabatière to adopt the by–laws and elect the first board of directors of the Coasters Association.

[*Translation*]

The association includes residents of all villages between Kégaska and Blanc–Sablon, and all these villages are represented on the new board.

[*English*]

I want to pay tribute to Denis Murray of St. Augustine who had the dream, to Rita Collier and Randy Jones of La Tabatière and to Cornella Maurice of St. Augustine who helped make the dream come true.

A word of thanks to the Secretary of State for the counselling and financial support. Special congratulations to Mr. Barry Roberts of St. Paul's River who has been elected as the first chairman and to the members of the new Board of Directors of the Coasters Association—

[*Translation*]

Madam Deputy Speaker: I am sorry to interrupt the hon. member but his time has expired.

The hon. member for Nepean.

* * *

[*English*]

PUBLIC SERVICE

Mrs. Beryl Gaffney (Nepean): Madam Speaker, the cynical measures in this government's budget to put a 3 per cent cap on all Public Service wage settlements and to threaten workers with job losses if they complain about it is nothing more than a mean-spirited, vicious assault on all Canadian workers.

• (1110)

By its own actions, this government is telling every employer in Canada that it is acceptable to throw away the right to bargain and it is acceptable to hold over the heads of workers the threats of job losses and contracting out.

If this government can be so cavalier at throwing away such basic, hard-won rights and principles of this nation's workers, will pay equity and equal opportunity be the next to go?

Who will be affected the most by this government's actions? The very members of our work force who are the most vulnerable: women, the disabled and visible minorities. Already their quality of life has been severely eroded by so many of this government's policies and now they are again in the direct line of fire.

This is clearly unacceptable and we, on this side of the House, will not stand for it.

* * *

NATIONAL ENERGY BOARD

Mrs. Barbara Sparrow (Calgary Southwest): Madam Speaker, I want to congratulate the federal government on its announcement last Tuesday night to move the National Energy Board to Calgary. This is a positive step. It contributes to the goal of effective and efficient government decentralization and it recognizes the source of funds used to finance the National Energy Board's operations.

Some 14 to 15 months ago, I tabled a motion urging this government to make the move and we can now see it is a reality. Calgary is the energy capital of Canada and that is where the Board should be.

I want to acknowledge and say thanks to the Calgary Chamber of Commerce for pursuing the issue. It is now a reality.

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[*Translation*]

TASK FORCE ON CANADIAN UNITY

Hon. Jean Lapierre (Shefford): Madam Speaker, the Prime Minister is ready to release his Canada Geese. Madam Speaker, $8.1 million has been set aside for a task force on Canadian unity. The referendum season is open. Quite an about-face, for a government that at the time was so critical of the Canadian Unity Information Office and which has now resurrected it in the form of the task force on Canadian unity. Welcome back, Paul Tellier, Richard Dicerney, Dan Gagné! The same faces, the same budgets and the same strategy. How come in 1980, 1981, 1982 it was propaganda, at least according to the Tories, and today, it is information? In 1980, according to the Prime Minister it was Jean Chrétien's honey pot, but today, it is money well spent. How come in the eighties it was a slush fund—

Madam Deputy Speaker: The hon. member's time has now expired. The hon. member for Edmonton East.

* * *

[*English*]

FUEL ETHANOL

Mr. Ross Harvey (Edmonton East): Madam Speaker, last week, at a very important conference on fuel ethanol in Lethbridge, people in western Canada caught a glimpse of the future.

Fuel ethanol is good for farmers because it constitutes a whole new market for their grains. It is good for rural towns because local small-scale ethanol plants can employ 10 to 15 people in each of the rural communities

hosting them, and can be part of the solution to the municipal solid waste disposal problem.

And fuel ethanol is good for the environment because, unlike every other carbon-based fuel, ethanol recycles carbon already in the biosphere rather than dredging up yet more carbon from underground.

Even the Alberta government's representative at the conference, not an ethanol enthusiast, said that with just a 3 per cent Alberta market penetration by ethanol, farmers could sell another 450,000 tonnes of grain and there would be a net benefit to the Alberta economy of about $7 million.

From virtually every point of view, fuel ethanol makes wonderful sense. It is time—

[*Translation*]

Madam Deputy Speaker: The hon. member's time has now expired.

* * *

TOBACCO INDUSTRY

Mr. Gaby Larrivée (Joliette): Madam Speaker, the Minister of Finance has shown he understood the message sent by Canadians to reduce and control government spending and improve management of the Public Service. The Budget brought down on Tuesday contains measures that will promote economic recovery, reduce unemployment, control the debt and when in a period of renewed prosperity.

However, although I have no reservation about spending cuts in general, I must say I do not agree with the excessively high tax increases on tobacco products as proposed in this Budget. I realize this is part of the government's national strategy to fight smoking, but I think moderation would be more palatable to the industry.

In view of these increases, I would urge the government to immediately take appropriate action to help producers who will be severely affected by this decision.

Madam Deputy Speaker: I am sorry, but the hon. member's time has expired.

[*English*]

JOB RETRAINING

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, in my riding of Parkdale—High Park, there are more and more people out of work, both from plant closings and layoffs in the wake of the free trade agreement and the effects of the recession.

My constituents remember hearing the promise of retraining for workers who lose their jobs as a result of the free trade agreement. However, when they go to request that retraining, they are put on a waiting list and told it will be a year or more before they can get any training. Madam Speaker, they are out of work right now. They need to upgrade their skills right now if they are to move from jobs in light manufacturing and industry into the age of computers and technology. They are being left behind because the funds promised by this government are not available. Empty promises do not pay mortgages or feed families of Canadians. Empty promises do not prepare people for career changes in this age of technology. It is time to stop cutting training funds and start honouring the promise of retraining so that Canadians can work their way out of this recession and into the 21st century.

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

Ms. Sheila Copps (Hamilton East): Madam Speaker, in the absence of the Prime Minister, my question is directed to the Minister of Finance.

Given his heartless budget this week, what does the minister have to say to the woman who is lined up today at the welfare office because she has no hope? What does he have to say to the child who this very noon will be eating lunch in a soup kitchen? What does the minister have to say to the grandmother whose operation is on hold because the hospital is too crowded? What does he have to say to the young person who will be sleeping in the street tonight because there is no more room at emergency shelters? What do the minister and the Prime Minister have to say to all those Canadians other than "Sorry, we have to fight the recession on your back"?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I do not think there is anybody in this House who is at all comfortable or happy to hear of the people who are at food banks or who are homeless, who are unemployed, who have lost their jobs or lost their homes. These are things that none of us like to contemplate at all and we are trying to do everything we can to deal with the difficulties that these people have in a variety of programs that are delivered at the federal, the provincial, and in many cases the municipal levels.

I think that my colleague, when she asks a question, is trying to deflect totally the concern of Canadians from the very, very real problem that we have of the debt in this country, and that each one of those Canadians whom my hon. friend refers to has indirectly, through the federal government, a debt of $15,000 that if we do not get under control, we are going to be able to help much less than we can now, because as that debt has mounted over the years, so has the cost of servicing that debt to the point now that 35 cents out of every revenue dollar goes simply to pay the interest on that debt. Those revenues cannot be used to help the homeless, to help the people who are unemployed or to help the people who are losing their jobs or a business.

An hon. member: You are making it worse.

Mr. Wilson (Etobicoke Centre): My hon. friend says I am making it worse. Where he is quite wrong is that what this budget is precisely designed to do is to get interest rates down to ensure that we get a healthy economy to put those people back to work and to help the businesses create the jobs and the opportunities that will get them back to work.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Madam Speaker, the Minister of Finance referred to the real problem. The real problem is that 200,000 children have to go to food banks to get something to eat. The real problem is that 1.5 million Canadians will not be able to find jobs when the government cuts its job-creation programs. The real problem is that tens of thousands of Canadians have no decent accommodation, and the government has decided to cut funding for subsidized housing. The real problem is that we are facing a crisis in our universal health care system, and the government goes and cuts $1 billion in this area.

Does the minister realize that by abdicating his responsibility for dealing with the problems the provinces are facing, he is playing right into the hands of people who want to destroy our country? When will he understand the real problem?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I am sure the hon. member would be reluctant to say something she knows is wrong. During Question Period yesterday, in the House of Commons, I explained why the hon. member's statement is wrong.

My hon. friend referred to Tuesday's Budget. I would like to quote from page 89 of the English version, under the heading *Cash and tax transfers to other levels of government*. These transfers will increase from last year's $36.3 billion to $36.9 billion this year.

So my hon. friend knows perfectly well she is wrong, and the result is to mislead the Canadian people.

• (1120)

[*English*]

She knows that she has a responsibility as acting leader of her party to speak responsibly and honestly to Canadians.

Ms. Sheila Copps (Hamilton East): Madam Speaker, the figures speak for themselves. The minister's own estimates tabled yesterday show a cut of more than $1 billion in federal payments for universal health care.

This budget is a separatist's dream. It is a federalist's nightmare.

At a time in the history of our country when the role of the federal government is under attack, the Conservatives are feeding the argument of those who want to tear this country apart. The Tories are doing the job by dismantling our national programs, bit by bit by bit.

Does the minister not understand that Canadians expect a national government to take care of the sick, the homeless and the jobless? Does the minister not understand that while John A. Macdonald was the Father of Confederation, his own Prime Minister has become the father of de-Confederation?

Hon. Perrin Beatty (Minister of National Health and Welfare): Madam Speaker, the hon. member asks to be taken seriously by Canadians when she demonstrates that she cannot even read the estimates. Transfers to the

provinces for health care this year will increase by about 1 per cent.

What the hon. member seeks to do is to confuse Canadians by completely ignoring the fact that transfers of tax points at exactly the same cost to the federal government as cash and at exactly the same benefit to the provinces as cash are increasing. She seeks deliberately to ignore that fact.

She talks about the effect on national unity. Yesterday she cited approvingly the comments that were made by her former chief organizer in Quebec, Mr. Côté. As she well knows, Mr. Côté advocates the dismantling of medicare and the destruction of our national health care system. Is that the policy of the national Liberal Party?

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, in the absence of the Prime Minister my question is directed to the Minister of Finance.

When it signed its recent agreement on immigration with the Province of Quebec, the government said that from now on, constitutional negotiations would be approached as a single unit. In Tuesday's Budget, the government abandoned social policy to the provinces. It started its constitutional negotiations without public consultation. It ignored the advice of its experts.

My question is this: Why? Why do this with a single stroke of the arbitrary pen of the Minister of Finance?

[*English*]

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I have had consultations with the provincial finance ministers on an ongoing basis. I indicated to them in both December and January the very serious nature of the fiscal problems of the federal government, and I gave them every indication that there would have to be changes to the transfers to the provinces in this budget. They understand that. They got that message very clearly back in the meeting in January.

My response to the hon. member is that we have had these discussions. We are going to have ongoing discussions with the provinces on the major transfers. We have discussions under way now and have had for about a year now on the changes to the equalization program.

We have also indicated to them our intention of bringing forward specific proposals on changes to the tax arrangements between the federal and provincial levels of government. There has been very, very extensive consultation.

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, this is not simply a financial debate; it is a constitutional debate. It is the same taxpayer. You have not changed the national deficit. You have simply transferred it from one level of government to another, and you have not done a thing.

What this government has done is that it has made exactly the same mistake in the constitutional debate that it made in the free trade agreement. There, desperate for a deal, the government made all kinds of concessions before the real negotiations even started. As a result, this government went to the negotiations with the Americans without any clothes on and got skinned.

Now, here, in the opening shots of the constitutional negotiations, the government has made the same cowardly mistake. It has given up all of the bargaining chips and, in doing so, has fundamentally altered the nature of the country.

My question is: How could this government play so fast and loose with the country? How could it so prejudice the nation without any kind of national consultation, without even the slightest hint of a national debate?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I think my hon. friend has this all wrong. He has to realize that what we are doing in the discussions that we are having with the provinces is not deciding on what powers the provinces should have or what powers the federal government should have. We are addressing a serious fiscal problem which I think, if he had the honesty to address himself, he would agree with me that we do have a serious fiscal problem and must deal with it.

He is saying we have a fiscal problem because of it. If he would be honest with himself and if he would be honest with the Canadian people, he would realize that in the 10 years leading up to 1984, when this government came into office, program spending increased by 13.8 per cent per annum. Since then it is 3.7 per cent per annum. The momentum that was created by that runaway spending of 13.8 per cent per annum created the problems that we are having to deal with today. That runaway spending at that time is taking away the choices that we have today

as a government, as Canadian people, and if we do not get the—

Some hon. members: Order, order.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Minister of Finance.

Increasingly, as people have had a chance to analyse this budget, they see that it is a budget designed to increase the recession, to deepen the recession, rather than to get people working, to get the poor back to earning a decent standard of living. This budget is clearly on the backs of the poor, the unemployed, and those in our society who have not had a chance. This finance minister is not giving them a chance.

The minister has said that this is a budget about choices. While others have said this will clearly deepen the recession, the choices the minister has chosen to make is to increase funding for Canada's spy agency by $24 million, to increase funding for the Senate by over $5 million, and to increase defence spending by almost a billion dollars. And yet he chose to cut jobs, cut medicare, cut social programs.

I want to ask the Minister of Finance: Will he stop cutting away at the things that help people in this country? Will he do something real for national unity and get Canadians back to work?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, the hon. Leader of the New Democratic Party referred to three programs. One of them increased, I think she said, by $20 million, the other by $5 million, and she knows that changing the funding in those programs would have had essentially no impact on the $35 billion deficit that we are looking at.

On the question of funding for defence, yes, we did have a choice.

• (1130)

Our choice was to assist and participate in the fight for freedom. If the hon. Leader of the New Democratic Party is against fighting for freedom then she is in a different camp than we are on this side of the House, and let her stay in that camp because it is a camp that we do not want to be in.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): We did have choices. It is three days since the budget, and what I have heard from the New Democratic Party is that the New Democratic Party wants to spend additional amounts of money. As I said to her yesterday, when we open the books on the budget planning for 1991–1992 we are faced with a deficit of $35 billion. What I am hearing from her is that she would be quite comfortable to see that go up to $36 billion, $37 billion, or $38 billion.

Time and again she sat in this House and said: "Get interest rates down". Would she explain to me how moving the deficit from $35 billion up to $37 billion or $38 billion would get interest rates down? Or, would she admit, as I think she should know, that that would cause an increase in interest rates?

Hon. Audrey McLaughlin (Yukon): Madam Speaker, I have a supplementary question.

There are people who say that there are a lot of dream projections in this budget. The minister is saying that the New Democratic Party has said we want to increase the deficit, that is absolutely wrong.

We are talking about priorities. He says $24 million for the spy agency, no money for the unemployed, and we say that is wrong.

[*Translation*]

Madam Speaker, my supplementary is directed to the Minister of Finance. About a million and a half Canadians are now unemployed, and analysts say that the Budget will help push this figure even higher. The Canadian Conference of Catholic Bishops commented that some thought should have been given to an approach that would have promoted job creation and a better distribution of wealth.

Why did the government decide against putting anything in the Budget to create jobs?

[*English*]

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I believe that my hon. friend, Shirley Carr, the head of the Canadian Labour Congress, and the Catholic bishops have all said that we should get interest rates down.

The Leader of the New Democratic Party has said let us hope that interest rates come down. Hope will not bring interest rates down, but what will bring interest

rates down are actions taken in this budget, which is precisely designed to bring interest rates down.

The limits on spending, the reductions in the deficit, and the inflation targets are all designed to bring down interest rates. If my hon. friend is looking for a way to help the unemployed, if she is looking for ways to help people get off the unemployed list, the best way that we can stimulate the economy is to bring down interest rates, and the fundamental design of this budget is to bring down interest rates, to stimulate the economy, and to generate employment.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, day after day the minister stands in this House and says that he has to get inflation down to bring interest rates down. Maybe we do not disagree with that.

Then, why, I have to ask the minister, is he bringing in inflationary measures by introducing the GST that he knows caused the inflation rate to go up. He brings in a tax on cigarettes that he knows is inflationary. He increases unemployment insurance premiums that he knows is inflationary for small business and workers who have to pay that extra expense.

In addition and at the same time this finance minister says that he is not destroying the national medicare system. I want to say to him that we know he did not start that destruction—

Madam Deputy Speaker: I am sure the hon. member will put her question.

Ms. McLaughlin: Madam Speaker, I want to ask the minister who has said—and the minister of health—that the medicare system is not being destroyed and that the reduction in transfer payments started by the Liberals is not destroying medicare if they will not listen to their own National Council on Welfare that says this federal government's budget can mean the end of medicare. If they will not listen to the people of Canada, will they listen to their own advisory council?

Hon. Perrin Beatty (Minister of National Health and Welfare): Madam Speaker, I almost could not believe my own ears. Is the hon. member saying on behalf of her party that she opposes the measures taken by the Minister of Finance to reduce by 100,000 the number of teenage smokers in Canada? If that is her policy, let her say so explicitly.

I strongly support that policy, a policy that will save thousands of lives in this country, that will save tens of millions of dollars in our health care budgets. If the NDP believes that taxes should not be increased to discourage young smokers, let it say so.

In so far as the National Council on Welfare is concerned, its responsibility is to argue for more spending on behalf of social programs, and it does that job well.

In this House of Commons, the responsibility of the hon. member and of members on this side is not only to say where we would favour more spending but also where we would get the money from. It is time to come clean with Canadians and for the Leader of the NDP to spell it out.

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CITIZENS' FORUM ON CANADA'S FUTURE

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, my question for to the Minister of Finance.

Regrettably, yesterday the Prime Minister was unable to answer questions regarding allegations that have been made by Mr. Robert Normand, a member of the Spicer Commission.

Given that the Prime Minister and the government have both a moral and legal obligation for the proper operation of the commission, will the Minister of Finance tell the House of Commons today, and through the House the people of Canada, whether or not there is any substance to Mr. Normand's allegation that some commission members may be collecting up to $18,000 a month, improperly?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I think it is very important to reiterate that Mr. Normand at no time has suggested that anyone is doing anything fraudulent on the commission. He stated that quite unequivocally.

The hon. member knows very well, as we stated in the House yesterday, that a commission such as the Spicer commission operates independently.

Although it was announced at the beginning of November, the financial requirements for 1991–92 are still under consideration and will be included in the Supplementary Estimates for 1991–92. The financial requirements for this year, 1990–91, will be part of the final

Supplementary Estimates that will be tabled in Parliament shortly, so there will be an opportunity for parliamentary overview.

But I would remind the hon. member that although the commission is independent, it does come under the purview of the Auditor General.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, the commission was appointed by the Prime Minister and cabinet to do important work; that is, to deal with the question of national unity. This is an important question for Canada. It cannot operate under a cloud raised by an eminent member of the commission, not by the opposition, not by outside parties.

I again ask the Minister of Justice whether or not she understands the importance of clearing the air of this dark cloud that has been raised and put above the commission by a member of the commission. Will she make a full report to Parliament and to Canadians that indeed no member of this commission is being paid $18,000 a month, supposedly picking the brains of Canadians to solve the problem of national unity?

Canadians want to know that these commissioners are doing their job: picking our brains, not picking our pockets.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, once again I repeat: the hon. member knows that this is an independent commission. I am sure that if I or any of my colleagues sought to interfere in its activities, the hon. member would be the first on his feet in this House to complain.

I think that if the hon. member wishes to contribute to the clarity of the process and the ability of the commission to make a contribution, he will avoid making statements that put the commission under a cloud. Although the commission is independent, it does not operate at large; it does not operate without any constraints.

We have a process of auditing all of the commissions of Parliament precisely to avoid the kind of thing that the hon. member is talking about. Those proper agencies will do their job to assure the Canadian people that their money is being properly spent, and that is how it ought to be.

• (1140)

CANADA POST

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, my question is for the minister responsible for Canada Post. As of today postal rates for many weekly newspapers will jump dramatically, some over 1,000 per cent. The minister has made the situation even worse by giving half the papers a three-month reprieve yesterday while throwing the rest to the wolves today. This will wipe out many valuable weekly farming community publications right across this country.

Will the minister assure us in this House today that these ludicrous rate increases will be stopped in their tracks?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): What is ludicrous are the comments made by the hon. member about what is happening.

As was announced some two years ago, the subsidies for publications are being reduced as part of the fiscal management of the government. What was announced yesterday were the rates which will apply for weekly newspapers. There is a 90-day delay for the small town weekly newspapers in terms of its implementation.

There was also, at the same time, an announcement that there would be an additional $2 million of subsidy available for these broader regional weeklies to which I think the hon. member was referring.

The matter is being dealt with sensitively, properly and in an expeditious manner, as is usually the case with this government.

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, half of them are being driven out on the street today. The minister has not addressed the problem.

Does the minister not realize that these weeklies operate on a paper-thin profit margin and any increase in postal rates would close many of them down? The minister has attacked rural post offices and he is now laying siege to rural communication lines. Will the minister tell Canada Post that it can no longer add to its fat profits on the backs of rural Canadians?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): The hon. member's use of hyperbole is quite astounding. He is following the example of the deputy leader of his party, I guess.

The continuous program, administered by the Department of Communications for quite a number of years, long before this government came into office, is a program of subsidy to publications in this country. Weekly newspapers, small town newspapers for towns under 10,000 population will continue to have the first 2,500 copies delivered by Canada Post free of charge.

As a result of the adjustments, on average across the country, these small town weekly newspapers will pay in the order of eight or nine cents a copy for delivery. When you compare that to the 40 cents which it costs to deliver a first class letter or a smaller package, I think he will realize that in fact the program is still quite generous, in recognition of the important role of the small town newspapers.

What is needed is understanding by everybody involved. It is not aided by the wild hyperbole, exaggeration and mistruths of the hon. member.

* * *

THE BUDGET

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, my question is for the Minister of Finance, who continues today to talk about the serious fiscal problems facing the Government of Canada and the need for everybody to contribute.

I want to ask the Minister of Finance why he has not changed the interest deductibility rule. Is he aware that at a recent tax conference in New Zealand, a New Zealand multinational by the name of Fletcher Challenge bragged about setting up in Canada, because Canada was a tax haven, which enabled it to make $128 million in 1989 and pay absolutely no taxes at all, because Canada is a place where it can borrow money to finance its global operations and at the same time avoid taxes. If the Minister of Finance is interested in reducing the deficit, why did he not do something about that and why did he extend that rule in December 1990, rather than getting rid of it?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, on the question of interest deductibility, interest is deductible if it is used in borrowing money, if it is paid on borrowed money designed to earn profits for the company that is incurring that deduction. The Fletcher people are taking advantage of a particular tax provision, which is available in many other countries of the world today. It is designed to generate profits here in Canada. Those profits will be fully taxable.

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, the fact is that it helps them to generate profits all over the world which are not generated in Canada. The only people who are affected are the Canadian taxpayers who end up financing Fletcher Challenge to the tune of millions of dollars.

I want to ask the Minister of Finance, who talks so soberly about sharing the burden, why he refuses to do anything about that kind of rule. Why does he allow the Canadian taxpayers to continue to be pillaged by these multinational corporations. Why, for instance, he is not willing to do anything about the business and entertainment tax loophole, the free lunch loophole which is worth $1 billion in free lunches to the business community.

Why did he not have the nerve to ask them to contribute to reducing the deficit? Why do they continue to get a free lunch?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, we did change the business entertainment expense. We brought it into line with what the provision is in other countries, in particular in the United States. My hon. friend can rail away as much as he wants about the provisions in the corporate income tax system.

If he would study the corporate income tax system, he would realize that it is just on the margin of competitiveness in relation to our major trading partner, the United States.

We could raise our taxes. We could eliminate a number of the provisions in the corporate income tax system, but the result would be that companies like Flyer Industries in his riding would move down to Minneapolis. He might feel very good about the change in the income tax system, but he would be the first up on his hind legs in this House saying: "Why are you doing things that are causing companies to leave Canada and move to the United States?"

That is precisely why we have to maintain a corporate income tax system that is competitive in this country.

* * *

UNEMPLOYMENT INSURANCE

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, my question is for the Minister of Finance.

Last year in passing Bill C–21, the government made a legislative commitment to freeze unemployment insurance premiums for three years. In announcing this freeze, the minister said: "The government will continue to finance any deficits in the unemployment insurance account in difficult times when it may not be appropriate to allow premiums to rise."

That is what the minister said. Why then is the minister now increasing unemployment insurance premiums by $2 billion when we are in a serious recession? He himself says that we are in difficult times. Why is he breaking his word of last year?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the hon. member well knows that under the Unemployment Insurance Act there is a requirement that premiums be established to keep returning the fund to a balanced position.

In other words, if there is a deficit, there is a requirement in the law that premiums increase, and, if there is a surplus, that they go down. When the premiums were established in the last budget, it was done in the expectation and the forecast of what the economy would look like at the time.

Those circumstances have changed. The government will continue to fund the deficit throughout the period. The fund will be in deficit and the government will carry it. In order to bring it back to balance, otherwise premiums will have to increase faster. If we did not increase premiums now, they would have to go to $4 or $5 at the end of the period to cover that deficit.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, the fact is that in 1990 the Minister of Finance made a commitment to freeze unemployment insurance premiums for three years.

The minister said in his budget that in hard times, he would cover deficits out of general revenue. That is what he said, and now he is making a $2 billion flip–flop.

Let me have this answer, Madam Speaker. Was the minister totally incompetent when he made that legislative commitment last year, or was he simply lying to the Canadian people?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I certainly think that the question is an offensive one.

It is certainly offensive because we are continuing to carry the fund while it is in deficit. I would remind the hon. member that it was his party which delayed this whole project well beyond where it might have been providing some better use during the recession.

He also knows that we are going to continue to carry the fund while it is in deficit.

* * *

• (1150)

THE BUDGET

Ms. Mary Clancy (Halifax): Madam Speaker, Canada's cultural community is already singing the "Bye Bye Blues" with the Wilson budget cuts and delays of $197 million.

Will the Minister of Communications walk over to his friend, the Minister of Finance, as he carves up grants and contributions, and tell him that at a time of strained national unity, this government should be strengthening the ties that bind us rather than following a search and destroy mission against Canadian culture.

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Madam Speaker, the government is very much aware of the importance of cultural activities in Canada, and that is why it has made available to government agencies and the Department of Communications the kind of funding we need—which compares favourably with other activity sectors—to define policy and be present in all cultural areas in this country.

[*English*]

Ms. Mary Clancy (Halifax): Madam Speaker, it is a sad day when the Minister of Communications becomes the minister of vacation and is not around to defend Canada's cultural community.

In the same vein, funding to women's research groups has not been restored and small group funding has sustained a $75 million cut this year alone.

Will the Minister of Finance admit that research and community development is at least half of the equality battle—if he cares—and refuse to strangle these groups and their work for women any longer?

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Madam Speaker, the government has added $8 million this year to the Canada Council, for the arts.

Furthermore, the government is also actively involved in our cultural industries because the market situation in Canada is a difficult one. In addition to investing in these agencies, the governement must also ensure that our cultural industries develop as they should, in order to support our cultural market. It is with this in mind, Madam Speaker, that the government has tried to provide for a fair distribution of programs and grants between these agencies and the Department of Communications.

* * *

[*English*]

THE BUDGET

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, my question is directed to the Minister of Finance. He has just responded to my colleague from Winnipeg by suggesting that we have to keep our tax system in this country somehow competitive with other countries and that justifies the very gross loopholes which exist in our tax system.

Let me ask the Minister of Finance this. The United States, which is our major trading partner, has a minimum corporate tax. It has just put into effect a luxury tax. It has an inheritance tax. All of these are things which we do not have in this country. Let me ask this minister why he is not prepared to put these kinds of fair measures into the tax system to help Canadians and to give the ordinary person a tax break?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I want to ask my hon. friend whether the United States has a large corporations tax. I want to ask my friend whether the United States has as high a capital gains tax rate in that country as we do? We have a higher burden on corporations than the United States. What one has to look at is the bottom line on the corporate tax system.

As I said to his colleague from Winnipeg, we can have a good time feeling warm all over by hammering the corporations and raising the tax rates, but the people who live in his community would find that the jobs would not be there. They would have to go across the border to Detroit and get jobs in Detroit because the businesses would not be able to support the same type of activity in Windsor as they could working across the way in Detroit.

His community is fortunate because people can go across the river, but people who live in other communities are not be so fortunate. It is for that reason we must have a corporate income tax system which is not just somehow competitive but actually competitive, to ensure that we retain jobs here in Canada and not export them to the United States.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, the Minister of Finance cannot have it both ways. He cannot say we have to be competitive and so we have to keep our tax system in line with other countries and, when we point out to him the tax system in the United States has these various mechanisms which in fact hit higher income people and large corporations, he says: "Oh well, we cannot do that".

Why is the Minister of Finance prepared to use the excuse of the United States when it is to his benefit? Why is he not prepared to use the example of the United States to put fairness into our tax system as it should be?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, the only point that I was making is that the United States has a very complex corporate minimum tax and, rather than have that corporate minimum tax which adds a lot of complexity to the tax system, we have the large corporations tax which is very simple and has the same sort of impact. That was the only point that I was making.

Now the hon. member refers to fairness in taxation on individuals. If he would refer to a study that has been recently completed by the Organization of Economic Co-operation, the OECD in Paris, it shows that the Canadian tax system for the average worker is a fair tax system, that the take home pay after taxes for Canadian workers is on the high end of the range.

He will also be aware, I am sure, of a study that was done by Price Waterhouse comparing the tax system for upper income people in Canada and the United States. It indicates that the tax burden on upper income people in Canada is considerably greater than the tax system in the United States.

* * *

[*Translation*]

FORESTRY

Mr. Guy Saint-Julien (Abitibi): My question is directed to the Minister of Forestry. For many months, the Canadian government has tried to conclude a Canada-Quebec agreement on the forestry sector, and we all know that the federal Department of Forestry is prepared to inject $100 million to help forestry workers in Quebec this year. The question is this: Could the minister inform the House today whether he is pursuing his talks with Quebec for the purpose of concluding an agreement on the Quebec forestry sector, because forestry workers in Abitibi—Témiscamingue are sick and tired of waiting for the province to make up its mind?

[*English*]

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, my discussions with my counterpart in the province of Quebec are ongoing. They are progressing toward a new agreement that would respect both the objectives of the province of Quebec as well as certain legitimate national objectives.

Keeping in mind that the provinces, of course, own and have the principal responsibility for the management of the resource, we have a number of serious national objectives which we are attempting to pursue. A few of those are the stabilization of private woodlots in the provinces, research, environmental questions and general labour and manpower questions.

I made an offer to the province of Quebec on August 24 and I am hoping to have an agreement completed within the not too distant future.

PUBLIC SERVICE

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, at a time when the unemployment rate and the welfare rolls are skyrocketing, the Minister of Finance, who has predicted a 10 per cent unemployment rate, has now frozen public servant wages, including those of the armed services whom the government has just congratulated for a job well done.

This government has declared open season on public servants across Canada, be they federal, provincial, municipal or school board employees. All public servants will be affected by this Tory budget. How can the Minister of Finance stand in this House and say that by gouging one group, the public servants of Canada, he is correcting the economic difficulties caused by his own incompetence.

• (1200)

Mr. Andre: Does Sheila write everybody's question?

Hon. Michael Wilson (Minister of Finance): In this budget we are not attempting to gouge anybody. What we are putting forward in a very clear way is an assessment of the problems of this country. We have a serious fiscal problem. We are asking the employees as well as members of Parliament and ministers to participate in the solution of this major fiscal problem. We have asked the public servants to be a part of that and recognize that their position in the country as a group which provides some leadership, some direction for the over all country can help in getting the costs of the Public Service down.

What I hear time and again from private sector people is the costs of government are getting too high. Provincial governments and municipal governments have been entering into wage settlements in the past couple of years two and three percentage points higher than the rate of inflation. If what we do in Ottawa can help them bring their level of increase down to a level that is more consistent with what the private sector can afford, then the economy of this country is going to be better off for it. We will become more competitive. There will be more job opportunities or more business opportunities, and that is going to be a very important element in getting the economy going again and creating the revenues that pay our public servants.

Tributes

Mr. Speaker: It is my unhappy duty to advise the House that we will be hearing tributes to a former colleague.

I will call first on the hon. member for Calgary Southwest.

* * *

THE LATE PETER C. BAWDEN

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I rise today to pay a very special tribute to a long time friend, a colleague of this House who passed away last evening, Peter C. Bawden.

Peter was born and raised in Toronto and moved to Alberta in the very early 1950s where he pioneered the oil well drilling business. Bawden Drilling was formed about 1952, and as the company grew and expanded and became more specialized, its drilling rigs could be found operating in Alberta, British Columbia, Saskatchewan, Manitoba, Sable Island, the far northern Arctic, Winter Harbour on Melville Island, the United States, California, Central and South America, Australia, Indonesia, Iran, and the North Sea, all operating with onshore and offshore facilities.

Safety was always one of Peter's goals; to make sure the men who operated the equipment were well informed, well protected and well trained. He started in the very beginning always having a drilling safety supervisor who worked the rigs, ensuring that peoples lives came first.

He loved sports. He was involved in the aviation industry. Peter was everywhere. He served on many boards, various charities and at the University of Calgary. He gave so much of his life to his community of Calgary, to the province of Alberta and, indeed, to all of Canada.

Peter Bawden served in this House as a Conservative member of Parliament from 1972 to 1979, working in so many ways, always for a better Canada. It was just over a year ago when Peter received the Order of Canada, recognizing his givings, his talents, his accomplishments and his contributions.

All of us here today regret the loss of a dear colleague and extend our very deepest sympathy to his wife Margaret and to his children; Jennifer, David, John, Valerie, Kate and Louise.

I thank you, and God bless Peter.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, we are all very saddened to hear of the untimely passing of Peter Colwell Bawden, internationally known in the petroleum industry, a very highly successful businessman. Those of us who served with him saw how well he represented his constituents.

I was surprised when he decided to retire in 1979, having been elected in 1972 and successfully re-elected in 1974. I had the privilege of knowing him very well. I repeat again, we were all very surprised when he decided not to run in 1979. May I say we were all disappointed when he announced his decision that he would rather concentrate all his activity on his highly well known business enterprise where he was so successful.

What we remember of him is that he always conducted himself as a perfect gentleman, a very highly sensitive person. These are times to reflect on these great qualities that Peter Colwell Bawden represented so well.

Our leader has asked me, on behalf of our party, to extend our very sincere sympathy to his wife, whom some of us knew very well, and to his children.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, it is a real shock to hear of the passing of Peter Bawden. I knew Peter very, very well. Peter was one of those members of Parliament who was well liked on all sides of the House, who was well known on all sides of the House.

One of the things that struck me about Peter was that after he left this place, he still kept in touch with a number of us who were his friends during the days that he was a member of Parliament representing the city of Calgary.

Peter brought to the House of Commons expert knowledge in the field of energy, in the field of business and a real concern for his community of Calgary, a concern about sports and a concern about education. He was recognized by his country, as my friend from Calgary has just said, when he received the Order of Canada just a short while ago.

He will be missed by all of us. On behalf of my party and myself, I want to extend our sincere condolences to his wife, to his family and to his many, many friends not just in the city of Calgary, but indeed right across this country.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I just want to add on behalf of the government a couple of words about Peter Bawden who, as the member for Yorkton—Melville has just commented, even though he left this House in 1979 to devote full time to his business, did keep in touch. I can say personally, as a good, close friend of Peter and Margaret, that of all the friends and associates he had around the world—and he had them around the world because of his business interests—and across the country, none he valued more than the associations he made here in this House. It was for that reason he kept in such close touch.

It is tragic that he died at this very early age. My wife and I had the pleasure of spending a couple of days with Peter and Margaret just after the new year. Even then, in the late stages of his illness he had that tremendous interest in what was going on, constantly probing, asking and suggesting. It was part of his character to be terrifically interested in what was happening to this country, what was happening on the political scene, to be vitally concerned about it and doing what he could right up to the very end to try to make things better. We will all miss him.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, just a word or two for those of us who are involved in the energy portfolio. Peter Bawden not only was a pioneer in that industry, but remained an adviser to me almost to the end.

Peter had a very great sense of life. I remember not only being elected in 1972 with Peter, but in 1973 the government convened the Western Economic Opportunities Conference in Calgary. Peter had just been newly elected and I remember our attendance at that conference. Peter saw us on one of the major access roads into Calgary. He stopped his vehicle, backed up the wrong way in traffic and invited us to the conference. That was Peter in a very direct and human way. While we were partisans here, he was a friend to all of us outside of the House.

• (1210)

Just a last point, Peter exemplified in the oil industry possibly the very pioneering spirit that has marked that industry. He came from a background that was not at all the derring-do of the industry and the men and women who were its pioneers. Peter exemplified that. When I became minister of energy, he only had words of support and advice and it is that advice that all of us will miss.

* * *

[*Translation*]

POINT OF ORDER

BLOC QUEBECOIS—ORAL QUESTION PERIOD

Hon. Jean Lapierre (Shefford): Mr. Speaker, I have to rise on a point of order because I am under the impression that circumstances in the House are such that my colleagues and I cannot properly discharge our responsibilities.

We had a number of issues to raise this week. For instance I see the Secretary of State and I can think of a number of questions about his new Canadian unity information centre. We had questions to ask about the Spicer Commission. Mr. Speaker, this week we were recognized for only one question. That is not fair and equitable distribution, and I draw that to your attention because, quite frankly, it prevents us from properly performing our duties. I would suggest that the purpose of the House is not to prevent members from asking questions. Our members have been in attendance throughout the week, quite prepared to work, but unfortunately we have not been recognized in accordance with our numerical representation.

[*English*]

Mr. Speaker: I have listened carefully to the hon. member and I will consider his remarks. I would hope that on balance over the past and even to the present a statistical examination of questions of members recognized and questions asked would show that all members of the House are being fairly treated.

I will consider the hon. member's comments.

ROUTINE PROCEEDINGS

[*English*]

JUSTICE AND SOLICITOR GENERAL

GOVERNMENT RESPONSE TO FOURTH REPORT OF STANDING COMMITTEE

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, according to Standing Order 109, I have the honour of tabling the governmental response, in both official languages, to the

fourth report of the Standing Committee on Justice and the Solicitor General on prostitution and soliciting.

* * *

JUSTICE

TABLING OF ANNUAL REPORT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I would also like to table according to Standing Order 32(2) the annual report of the Department of Justice for 1989–90, in both official languages.

* * *

CANADIAN MULTICULTURALISM ACT

TABLING OF SECOND ANNUAL REPORT

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I am very pleased to table today, in both official languages, the second annual report to Parliament on the operation of the Canadian Multiculturalism Act.

[*Translation*]

The report I am tabling pursuant to section 8 of the Canadian Multiculturalism Act relates to the 1989–90 fiscal year.

[*Editor's note: For above report see today's Votes and Proceedings.*]

* * *

[*English*]

RECYCLING ACT

MEASURE TO ENACT

Mr. Peter Milliken (Kingston and the Islands) moved for leave to introduce Bill C–348, an act respecting the recycling of refillable containers.

He said: Madam Speaker, I am pleased to introduce this recycling bill. I am sure the Minister of Transport will want to support the bill. I see him chuckling on the other side.

This is an important matter because it concerns the environment of Canada, which we all want to clean up. This bill provides that a person selling or offering for sale any beverage that is in a container made of glass, plastic or metal will be required to charge a deposit on the sale of such a receptacle. The rates for the deposit are set out in the bill, and they vary depending on the size of the container.

The purpose of the bill is to ensure that such containers will be returned so that the deposit can be repaid to the purchaser. I believe that the institution of such a practice will lead to a tremendous clean–up of Canada's environment because fewer bottles, cans and plastic containers will be discarded at the roadside.

I am optimistic that that will be the case. I hope all hon. members will support the bill if it should be selected for debate.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

[*Translation*]

PETITIONS

CANADIAN BROADCASTING CORPORATION

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, I have the honour to present two petitions today. The first comes from a group of residents of Rivière Saint–Jean and Magpie in the riding of Manicouagan who ask that Parliament make representations to the CBC management and take all measures required to re–open and maintain services at the CBST television station on the North Shore.

LABELLING OF PREPACKAGED FOODS

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, the second petition originates from a group of citizens of the Montreal region, specifically from the West Island, who urge the government to pass legislation or regulations to amend the food and drugs regulations with a view to making it mandatory for restaurant operators, manufacturers and retail merchants to list ingredients and other additives in prepackaged food.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Madam Speaker, I ask that all questions be allowed to stand.

Mr. Milliken: On a point of order, Madam Speaker.

Mr. Reid: Oh God, don't do this to me.

Mr. Milliken: I sympathize with the parliamentary secretary and his appeals to the Almighty.

I am not trying to badger him particularly, but I have had a question on the Order Paper since November 26, 1990. I asked that the answer be given both orally and within 45 days.

This is now March 1. The government has had all of December, January and February. I realize February is a short month, but three months and four or five days are enough for very simple questions which ask about the cost of three royal commissions is a lot of time.

It cannot be a difficult question for the government to answer. I sympathize with the hon. member for St. John's East who I realize is filling in for the usual channels today, but perhaps he could raise it with his colleagues on bended knee and see if he could not solicit some kind of answer from the government so that I could receive a response to this very important question that Canadians are most interested in.

Mr. Reid: Madam Speaker, I would like to assure my colleague that if my plea for assistance is answered, his will be also. I will pursue the matter with my colleagues. I know that they are anxious to co-operate with our friends across the way, as I know they are fully anxious to co-operate with us. I will raise it with my colleague, the parliamentary secretary.

Madam Deputy Speaker: After these words, I am sure that all will agree that all questions will stand.

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government; and the amendment of Mr. Gray (p. 17722).

The Budget

Madam Deputy Speaker: We are now starting the five-minute period of questions and comments following the speech by the hon. member for Mission—Coquitlam.

Mr. Rod Murphy (Churchill): Madam Speaker, on questions and comments, the member who spoke on behalf of the New Democratic Party is the labour critic of our caucus.

I was spokesperson of our caucus when the Liberals introduced their legislation in the mid-1980s when they broke the collective agreements that the government itself had signed with the Public Service of Canada.

• (1220)

I know the hardship and the bad feelings that existed among the Public Service at that time, the time of the six and five legislation. I wonder how our critic views the threats that were in the throne speech where the government said, for example, that it was going to negotiate the right to contract out with the Public Service, but, in the very next sentence of the throne speech: "—and if we do not get our way we are going to legislate our way".

The whole idea of collective bargaining is that the two sides come together and try to resolve their differences. I wonder how our member feels about the threat that the government makes when the government says that it does not matter whether it negotiates or not because it is going to get its way through legislation. This is just like the Liberals who actually broke the collective agreements that they themselves had signed with the Public Service.

We now have a new government, the Conservative government, saying it will negotiate but if it does not get its way it is going to legislate. I wonder how the member feels about that.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, one of the hon. members across the way said "disappointed". Outraged, I think, would be a more appropriate term.

This government has not just threatened the public sector with legislation, this government has guaranteed in its budget that it will legislate the public sector workers. In doing that, it has threatened private sector workers that they will be next. Because what will automatically happen is that pressure will be on to

reduce and tighten the screws on workers in other sectors while profits continue not to be controlled.

We will then have our well-educated, dedicated, hard-working Canadian workers creating a Maquiladora north with the low wages and poverty, and the rich collecting large profits.

This is is not short-term. This is a long-term plan to ensure that Canadian workers and their families suffer under the kind of government this government is offering us.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I would like to ask a question of the member for Mission—Coquitlam about her excellent comments about this government's budget and, in particular, the reference in her speech to the concerns across the country now, particularly in our home province of British Columbia, about transfer payments to the provinces.

The member will know well that when the Liberals were in office part of their six and five program was the lifting of the requirement that federal funds for post-secondary education and health were required to be spent in that area.

We have the premier of British Columbia, Mr. Vander Zalm, a former Liberal himself, and the Liberal Party now and we are not sure if that is still their position.

My question to the member is, what does she think about that proposal? Would she support a measure that would ensure that federal funds on health and education are, in fact, spent on health and education in the provinces?

Ms. Langan: Madam Speaker, I would like to thank my colleague who asked the question.

One of the serious flaws in this government's policy of cutting back on transfer payments is that while the national standards that the government sets and this Parliament sets regarding how health care and education should be delivered in the provinces is already being eroded under this kind of budgetary plan. With fewer and fewer dollars going to the provinces, there will be less and less control on maintenance of national standards.

In my constituency of Mission—Coquitlam, nurses have been laid off just recently and health care workers in the hospital there cannot keep up with the numbers of people who are seeking health care. Nurses are being laid off, and that was before the budget.

This government, if it indeed takes its responsibilities for health care and education seriously, has to maintain the position that it imposed and ensured that national standards are maintained. This government must, very much, rethink its policies.

Hon. Doug Lewis (Minister of Transport): Madam Speaker, I am quite pleased to have an opportunity to join today in this budget debate. Before I get started, I would like to congratulate the Minister of Finance who has done a masterful job of steering the economy in the right direction despite the constraints he is faced with as a result of years of mismanagement by the previous administration—17 years at least.

I am not the only one who says this. The Hon. Frank McKenna, the premier of New Brunswick, pointed it out in a speech last week. He said: "The Liberal governments of the 1960s and the 1970s and up to 1984 had abandoned their principles by spending beyond their limits and creating a massive deficit, in effect a mortgage on the future of Canada".

The policies of the Liberals in the 1960s and 1970s undermined our long-term ability to be productive and in 1984 we decided to change the course.

In our first year of government, we established an agenda for economic renewal which outlined the competitive challenge which was faced by Canada. Subsequently we have worked to provide a better framework for restoring productivity growth.

I think it is fair to say that Canadians are increasingly concerned about our ability to compete. What we have tried to do in this budget is re-establish once again the foundation to enable us to compete through the 1990s.

We feel that governments have a responsibility to create an environment that encourages the growth of competitive enterprise. What we have done in the 1991 budget is set out a plan for economic recovery, actions which will restore our fiscal balance and move toward price stability.

There is a great deal more that has to be done to ensure our future prosperity, but if we can boost our productivity growth then our prosperity will be ensured for forthcoming generations.

This is not something that can be done just by governments. We need the assistance of the private sector. We have to create an atmosphere and opportunities for the private sector and we have to try to maximize our productivity growth.

We need to examine the quality of our investments in infrastructure, machinery, and equipment, training, education, research and development, and private sector spending on training and research. That is not just an issue for government. It is an issue for business and for labour as well.

All of us can help to strengthen our competitive ability by identifying problems and developing solutions. We intend as a government to launch a national effort to build a partnership for prosperity that draws fully on the talents and efforts of Canadians in every sector of economic life.

In my capacity as Minister of Transport, I would like to take a minute within the context of the budget debate to describe some of the initiatives which we are taking at Transport Canada to face the challenges of tomorrow.

We are working in partnership with the private sector, in communities across Canada, to try and find those solutions. First, in airport devolution. We have taken some firm steps toward the management of Canada's airports. Our policy on the transfer of airports to local airport authorities allows the communities to have a greater say in the business of their airports.

What we are trying to do through the creation of these local airport authorities is serve the interests of the communities, enhance regional economic development potential, and permit our national airport system to operate in a more cost-effective and commercial manner. It will create, we feel, a new spirit of competition among airports and thus the communities of Canada.

• (1230)

When I was in the United States a couple of weeks ago talking with some financial analysts, they told us that over the past ten years they have gotten away from the airport, non-aviation side, being run by engineers and accountants and more and more they are run by people with marketing experience. I think we are going to see in Canada, through the devolution of these airports, economic opportunities open up for us.

We have reached an agreement in principle with the Edmonton Regional Airport Authority. We are negotiating with Vancouver, Calgary and Montreal and we expect that in the course of this year we will finalize those negotiations. As well, there are several other communities that have expressed interest in this type of airport operation.

This, I would suggest, is an indication of the government's commitment to provide for sound and representative economic management, as well as ensure competitiveness in the transportation system.

When I got this job the Prime Minister said to me: "Lewis, I want you to fix Pearson". I set about trying to continue the work done by previous Ministers of Transport to expand this wonderful facility as much as possible. As everybody knows, Pearson is the cornerstone of our aviation system and as a result of years of neglect, the infrastructure at Lester B. Pearson International Airport is showing. We have made a commitment to fix Pearson and to make it a world class facility. As the House knows, it is the hub of Canada's aviation system, the third largest gateway to North America. It is big business.

It is big business in this way: I do not think Canadians realize what an economic engine Pearson and other airports can be. Pearson directly and indirectly employs 60,000 people; 14,000 people go to work at Pearson every day. It brings in $630 million in taxes to three levels of government and $4 billion in business revenue. The economic impact of Pearson and other airports across the country is tremendous.

But at Pearson we had a difficulty. We had a facility built for eight million passengers a year accommodating 21 million passengers a year. We went to the private sector with Terminal 3. We opened it last week, increasing our capacity by 40 per cent. We feel this is a milestone in Canada's aviation system, because it was built at no cost to the taxpayer. It is owned by the private sector. It is proof that we can have a partnership between government and the private sector that can bring benefits to the country.

I would suggest that Canadians are going to be boasting about Pearson International Airport around the world and visitors from around the world are going to be envious.

At the same time, we are improving Terminals 1 and 2. A $40 million extension to the international wing of Terminal 2 was opened in December; which provides new gates for wide-body aircraft. We have increased the customs capacity at the terminal. We opened the first phase of a $52 million package of improvements to Terminal 2's domestic wing in January. The second phase we expect will be finished later this year. We have opened it up with windows, skylights and moving sidewalks, and have improved the baggage handling facility.

An hon. member: State of the art.

Mr. Lewis: I think it is. It is state of the art now and we have more improvements we want to make.

As well, we have announced that we intend to go to the private sector to participate in the further modernization of the two terminals.

We have an Environmental Assessment Review Panel under way to see what new runway capacity we can add to Pearson. That work is well under way and we expect the results of that sometime later this year.

People might ask, why am I emphasizing Pearson? I am emphasizing it because 60 per cent of our aviation traffic travels through Pearson one way or another, is affected by Pearson in any one day. Modern facilities at Pearson are essential to the economic and social development of metro Toronto, the surrounding communities in southern Ontario and, in fact, all of Canada.

On the international scene, we are working to improve an air agreement with the United States that, quite frankly, is archaic and restrictive. We want an air agreement that will bring to Canadians the benefits of a competitive air transportation network that is responsive to market demands and new opportunities. We want an agreement that will enable our business people to do business in the United States. We want an agreement that is going to get Canadians out of the airport lounges and into their customers' boardrooms to sell the products and the services which Canadians provide so well.

When I became Minister of Transport, as I travelled around this country, community after community—Halifax, Kelowna, Moncton, Calgary, Montreal, Thunder Bay—all said: "Look, we need a new agreement", and they know that if we are going to put this recession behind us, we have to get into the United States to sell our products.

We realize that these are difficult times for Canadian airlines, but that is no different than anywhere else in the world. Carriers all around the world are encountering difficulties. But we have confidence in the Canadian airline industry and are confident that, given the right environment, given a level playing field, Canadians can compete with anybody. We are looking for an agreement that responds to market forces and demands which allow the carriers of both countries to take advantage of new market opportunities and a regime that is as expansive as possible.

We want better services for the communities of Canada, better services for the consumers of Canada and better opportunities for Canadian airlines. We are under way on that and I am quite optimistic that we can negotiate a better deal, a better deal for our Canadian carriers, consumers and communities.

I should not spend all my time on the aviation side of things. I have come to realize, although it might be said I am an individual with not much maritime exposure, the importance of shipping to all Canadians. I thought I might get some applause from that. That is a bit of a conflict of interest there.

But I realize that the financial stability of the marine industry is important to us. I realize that marine issues are just as important if you are trying to ship grain out of Saskatchewan as if you are in one of the ports. We are spending time on that because our ships move wheat from Saskatchewan. They move iron ore from Quebec, potash from Saskatchewan, steel from Ontario and petrochemicals from Alberta, and so we have paid some attention to marine policy.

There are two things I would like to talk about today, one of which is our efforts to try to achieve greater delegation of authority for the port system of Canada. Ports Canada, as the House will know, administers the major commercial ports and some local port corporations. This is a Crown corporation which has been quite profitable over the past four years and it has returned some $250 million worth of dividends to the Government of Canada.

We want to enable the ports to mature and be competitive. We are going to delegate it more authority

so that they have the opportunity to expand their operations and be competitive within the marine system.

I also would point out that the government recently announced an initiative to make us better able to compete as a maritime nation.

• (1240)

We have the international maritime centres legislation, which will enable international shipping companies to locate in Canada. We think that this legislation, which was announced last week, will bring shipping executives, maritime law experts, marine architects and a host of other shipping professionals to Canada to develop an enhanced marine sector that we do not now have. As well, we are looking at our ability to get containers in and out of the ports more efficiently. I am expecting to receive a study on container competitiveness very soon so that we can see what we can do as a government to facilitate an improvement in that system.

Last summer I became involved in trying to sort out some difficulties in the trucking industry. I want to report to the House that we commissioned some studies through Transport Canada, because I was quite frankly fed up with having 14 different theories on what the tax system was in Canada and the United States, whether I got them from the trucking industry, from Finance, or wherever. We have formed a steering committee of all the stakeholders, and when we get these studies done, we will know exactly what the situation is and try to take some corrective measures.

One aspect of transport that was touched on, not so much in the budget, but as affecting transport was the legislation for disabled Canadians. I was quite pleased with the efforts of the finance minister to assist disabled Canadians. What I have tried to do is to put a focus on the disabled in transport. The House will know that the disability tax credit is going to be increased from $575 to $700 as of the 1991 taxation year. Perhaps more important, the definition of expenses eligible for that tax credit is going to be broadened and will include the cost of part-time attendants in the home. Costs incurred by employers in modifying their premises to accommodate disabled persons will become fully deductible in the year in which they are incurred. Benefits provided by employers to disabled persons to enable or assist them to work will no longer be taxable.

I dealt with this when I was Minister of Justice, and I am pleased to tell the House that, as Minister of Transport, we have carried the focus into transport. The House will know that the government provided some $3 million over the last five years to 130 communities across Canada for the Accessible Vehicle Acquisition Program.

We have an advisory committee on the disabled, which is comprised of some 17 representatives of consumer groups and six industry representatives. We have had some meetings and we have been able to achieve some improvements. Last fall I announced that there had been an agreement between the Air Transport Association of Canada and Transport Canada to provide Braille and large print safety cards on commercial airlines for a one-year demonstration period. If that is successful, it will be carried on.

I think we have been able to do some things in transport which co-ordinate with what the minister has done in his budget, and I can assure the House that we will continue to do so.

I want to touch on something in the budget as an employer.

The Minister of Transport has, under his jurisdiction in transport, some 20,000 public servants. I found in my travels that they work pretty hard for the government. Some of them, as the House knows, do not always have the safest jobs in the world; I am talking about search and rescue jobs. The public servants employed by the Ministry of Transport—and I think it is fair to say at all levels of the federal government, in all ministries—I have found by and large work very hard for the government. I appreciate that there is a 3 per cent cap on increases, and I appreciate that this is probably going to be difficult. But I think we all have to try to play a part in the difficulties that we are facing. I know that the public servants who are very loyal to the government and to the country understand what we are going through. I just wanted to recognize the contribution the public servants make in Transport Canada, especially, and in other areas. I am sure the measures that have to be taken will be taken with some sensitivity by all departments. Especially, we will try to do that in Transport.

In closing my remarks, I would say that we have demonstrated in this government leadership in terms of our financial difficulties. We have had to take some hard choices. It would be much more pleasant to be doing

some nice things with money but we do not have it. We do not have the money to throw at problems. Canadians realize that running a government is just like running their daily lives. They are not stupid. We have a situation on our hands and they realize, just as though it were their household budget, that we have to get it under control. They are looking for fiscal responsibility and other responsibilities from government.

I say that we have given fiscal responsibility the people of Canada since 1984—that may be a measure of debate for my friends across the way—and we will continue to do that for the rest of our mandate.

Mr. Douglas Young (Acadie—Bathurst): Madam Speaker, I have a couple of questions on two particular items for the minister. First of all, up front, I want to thank the minister for his co-operation on the development of Bathurst Municipal Airport. I know he has talked about Pearson airport and its importance to millions of travellers, but we have smaller airports in the country and I want to take the opportunity to thank him for his assistance with the Bathurst municipal airport. We know it is a complicated situation with airports of that size across the country.

I would ask him if he has any plans to get involved, because we have seen mention of user fees in the budget, in some sharing of administrative costs. He will be aware that we have been in touch on this matter. It is an unusual situation so I would like to have him comment on if he feels there is any way the government can participate in some of the operating costs of the smaller airports on a shared basis or whatever because there have been reports through the Minister of Fisheries and Oceans in New Brunswick that there may be some assistance forthcoming.

The only other point I would like to have the minister comment on, because I know a number of my colleagues want to chat with him also, is the Trans-Canada Highway in New Brunswick. As he will know, Nova Scotia, Prince Edward Island, New Brunswick and Newfoundland are interested in the Trans-Canada Highway because there is so much land transport across that area now. The budget and the estimates did not have anything specific with respect to the Trans-Canada that I could find. So I wonder if he would comment on those two issues.

Mr. Lewis: Madam Speaker, I would like to thank my hon. friend for his comments. There has been a fair amount of activity in the smaller airports in New Brunswick. I think actually if I were to guess it would probably run Ontario, B.C., New Brunswick in terms of what we have been trying to do for smaller airports. I certainly am paying attention to my hon. friend's comments and to those of the Minister of Fisheries and Oceans with respect to what we can do at Bathurst.

With respect to the Trans-Canada Highway this has been the subject of much discussion and much study. I would hope that this year we can take a look at our national roads policy and decide whether or not we should take a run at a comprehensive national roads policy which would involve some 23,000 or 24,000 kilometres of our national highway system in order to upgrade it. I especially appreciate the problems in New Brunswick. They are being attended to now I believe by the province and if there is a way we can become involved in that we will certainly try to.

The problem is once again cost and how we are going to finance it.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I want to thank the House for this opportunity to raise some questions with the minister. I will make a series of points and questions I would like the minister to respond to. I will try to do it very quickly.

One of the difficulties we have, as the House knows and the minister knows, is that the Standing Committee on Transport is unable to meet because of an impasse between the government and the opposition. The chief government whip is not allowing the committee to continue its work.

Normally after estimates are tabled all standing committees invite the minister they work with to come before them to discuss, as we are trying to do today, what do these figures mean, and what are the ramifications.

• (1250)

I wonder if the minister would be prepared to attend an unofficial meeting of the transport committee that my colleague from the Liberal Party and I will be arranging some time in the next couple of weeks. If the minister is agreeable, at his convenience, to come before all members, not just the opposition, but the government as well,

to talk to the minister about the matters in the estimates.

I have specific questions I want to put to the minister today. One of the big questions is about terminal 3. What is the Government of Canada gaining financially? I realize the minister may not have a specific dollar amount, but no one has been prepared to tell us what the deal is. Is it a percentage of gross revenue? Is it a percentage of net revenue, somewhere in between, or is it a fixed amount?

I think the people of Canada need to know, that in order to evaluate whether or not the principle of privatization, of private participation in a development and operation of airports is appropriate, irrespective of the philosophical differences that we may have in this House.

The other question ties into that, in terms of the devolution of airports. Can the minister indicate the department's projections as to what that is going to mean to the revenue side of the balance sheet for Transport Canada. If these airports are turned over, whether it is a private sector or a community or what have you, there obviously has to be some kind of new financial mechanism. What is it going to cost the system as a whole because, quite frankly, Pearson and Vancouver have been helping to cross-subsidize the operation at the other airports.

The one final question I would like to put at this point relates to the estimates. There seems to be an underlying erosion of the minister's tools for safety. For example, under surface and railway safety there is a decline of $3.2 million last year to this year. The Transportation Accident Investigation and Safety Board is getting less than a 1 per cent increase. Third, Marine Search and Rescue shows a $12.9 million decrease. I realize on this last one that it may be because of some kind of shuffle and perhaps the minister could indicate that.

But it seems to me that at a time when we are seeing higher instances of rail accidents, that we have an excellent working commission dealing with the Dryden inquiry that will report later this year and, in fact, its report may have some impact on the operation of the board, that one would assume that there needs to be dollars there to do the work.

Madam Speaker, I know you are anxious to hear from the minister and so am I, so let me sit down and hear him.

Madam Deputy Speaker: I was just wondering how the minister would find time to answer all the hon. member's questions considering the time that was being taken to put the question.

Mr. Lewis: That is easy, Madam Speaker, I will just answer the easiest questions.

I do not want to interfere with the government whip's work on committees, so I think that both the government whip and the opposition whip—and my hon. friend is an opposition whip— can settle their differences quickly. I am always glad to come to committee and field the questions.

Let me just say this. Presently, Pearson produces financial statements so the hon. member can see the asset base. The operating statement is available to everybody. I would suggest to you that when the revenue from T-3 kicks in, it will show in the financial statements.

We have an agreement with the developer. It was part of the deal that the contract would be private between the government and the developer, but the money we get from T-3 will be shown in the financial statements of Pearson. So I think that will take care of that.

As far as the devolution of airports is concerned, what we intend to do and what we have been doing is saying that is the asset base, the taxpayers of Canada will get a return on their investment and then we want a cut of the action. We want a cut of the terminal development, the coffee shop and the land rentals. So the taxpayer is going to get out of the business of running airports. The government should not be in the business of running airports. We do not need the Minister of Transport and public servants to decide whether a room this size should be a coffee shop or a duty free shop. Some days it would make a good hangar. But it is not necessary for the government to do that. That is why we are transferring it. We are getting a percentage of the action on it. We have that bill before committee next week, and I will be glad to come to committee and answer any questions on that.

The last question was about safety. Safety is an absolute priority of Transport Canada. Any rearrangements of person-years and funding always bears in mind

the fact that safety is a top priority. It will continue to be a top priority.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, we are here supposedly to deal with the Budget. But the fact is that we are here to deal with the government's ability—or total lack of it—to provide Canadian men and women with a sound and effective management of the economy.

On Tuesday, the Minister of Finance presented the Seventh Budget of his government. For sure, it was not a lucky seven for Canadians.

Early in 1991, Canada's economic outlook is rather gloomy. I quote:

"We foresee that the Gross National Product will be down 0.3 per cent. Unemployment will reach 10 per cent. The economy will grow at a rate of about 0.9 per cent, its lowest level in the last decade. Our economy is sinking into a recession. For the past two years, the Minister of Finance has been telling us that the only way to fight inflation is to create unemployment. In this Budget, he is telling Canadians that they can expect one more year of the same. There is not one atom of a comprehensive economic strategy in this Budget. There is no overall vision, no indication that the government knows to where it is headed."

Madam Speaker, the reason our country's economy is ailing is that the government just does not know how to manage the shop. Over the past six years, the government could have used a number of positive factors to cure the economy.

The world economic growth—Six years of tax increases, six years of program cuts.

Mr. Bellemare: Shame!

Mr. Martin (LaSalle—Émard): You are perfectly right to say shame.

In spite of that, the country is overburdened with debts as well as an enormous deficit. It is a shameful performance.

Mr. Bellemare: Indeed!

Mr. Martin (LaSalle—Émard): A shameful performance which is likely to continue if we accept this Budget. In short, Mr. Speaker, the Minister of Finance has lost his bearings.

[*English*]

When this government came to power, it had one goal: deficit reduction. It has failed miserably. Why? Because of its failure to understand that deficit reduction does not only come from cutting; it comes from growth, and growth comes from investment.

This government has consistently under-invested while other countries in the world, such as Germany and Japan, have invested. Those countries now prosper while Michael Wilson has brought this country to its knees. How? Let me count the ways.

Cutbacks in education. There is an inherent contradiction between this government's constant rattling on about its advocating competitiveness on the one hand and promoting policies on the other which must inevitably lead to cutbacks in education.

Twenty-five per cent of Canadians are functionally illiterate. We have, among the industrialized countries, one of the lowest rates of high school attainment. What is this government's answer to this? It is to make sure that every student who wants to go to university next year will have to pay up to $1,000 more.

It is about to cut out the support systems for single parent families who want to send their children to school. It is a failure to understand that the sinews of the nation are built on the nation's youth.

Cutbacks in social programs. This government's failure to invest in people perpetuates a cycle of poverty. The government fails to understand that a dollar invested in Canadians today will make you $5 later on.

• (1300)

Indeed, when I see this particular Speaker in the chair, it gives me some pleasure to raise the cutbacks in the environment. This government has just trashed the green plan. The green plan was not very good. It did not have much vision. There was not much of a message. There was not much in it, but it was the best this lamentable government could come up with and what it has now done is thrown it in the wastebasket.

The minister stood opposite me and told us how he was going to spend $3 billion over five years. He told us it had not only been approved but that it was committed. He virtually told us that it was a sacred trust. He has now announced a one third cut in the first year alone—$600 million over the next five years.

The government will tell us it is a deferment. That is guff. The green plan as presented by the minister was a rolling plan. More moneys were to be spent in the sixth year and in the seventh year. This is an absolute cutback of one third, $125 million in the first year alone.

Yesterday it was reported that the Minister of the Environment in scrum outside here said that industrial development was more important than the environment. Well, that is a statement which is as dated as the Edsel. It is an incredible statement. It is incredibly discouraging for those who believe in the environment to think that the Minister of the Environment would say it. It arises from a failure to understand that the environment is a moral value. It arises out of the failure of this government to understand that in the new economics you cannot have a sound economy in an unsound environment.

An hon. member: Absolutely. Bravo.

Some hon. members: Hear, hear.

Mr. Martin: I thank my colleagues. It arises out of a failure to understand that a nation is not growing because of its failure to invest in research and development. The environment and the development of environmental technologies represent one of the great growth industries of the future. This nation is now in a position where if it does not develop those technologies, in 10 years it will be buying them from the Germans and the Japanese, as it buys VCRs and record players today. But if this nation develops them today, then maybe it will develop a new industrial base. The environment is not a cost. It is a phenomenal opportunity for us to build a new economy.

This government's problem is that it fails to understand that the environmental deficit is an economic deficit. It fails to understand that the social deficit is an economic deficit. If there is any doubt about this, simply look at this Minister of Finance's record over the last seven years. In his time there has been a doubling of the deficit and it has arisen out of one thing: this government's failure to understand the necessity of investing in the future.

This budget contains many facets, all of them bad. I began by saying that we are not here to debate the budget. Indeed, we are here to debate this government's competence. I should have said we are also here to debate national unity. This budget represents the opening shot in the government's battle to hold the country together and it could not have been more inept. It could not have been more self-defeating.

An hon. member: Right on.

Mr. Martin: How anyone could think that reneging on our commitments to the nation builds a nation is beyond me. The Tories will say that cutting payments for health and education improves the nation's finances. Well, that is garbage. The national debt is not only the federal debt, it is the federal debt in combination with the provincial and municipal debts. Shifting the debt burden does not solve our financial problems. In the end it is the same taxpayer who pays. But the way in which this government is going about it is weakening the sinews of the nation. Even more to the point, this government is repeating the mistakes it has made many times in the past, mistakes that have had a devastating effect on this nation.

In the free trade agreement this government, so desperate for a success even if it was only paper thin, and so afraid of failure, sat down cowardly with the Americans and gave up the ghost before the negotiations started.

An hon. member: Shame.

Mr. Martin: It made every single concession. Every point it thought the Americans would raise at the table, it gave up before it got there, because this indeed is a craven government.

Then what happened with the Americans and the Canadians? John Crosbie stood up and said: "We have a great victory." It reminds me of peace in our time in 1938.

An hon. member: Right on.

An hon. member: Shame. Yes.

Mr. Martin: Well, it has just done the same thing. Now, as it prepares to sit down with a multitude of provinces across this country, this government is in the process of dismantling the nation so that there is nothing left to discuss, no bargaining chips on the table, and for those of us on this side of the House, those of us who believe in this country, it is beyond belief to stand here and watch what this government is doing with one of the nations that God put on this earth to fulfil great things.

There is one man who must love this budget, and that is Jacques Parizeau, sitting there in his intellectual grey. He must be laughing all the way to the bank.

Well, there are other lessons that this government has not learned. In the course of the Meech debate, Canadians on either side of the debate said they wanted a public debate, they wanted to be consulted. But we sort of thought that the government would come to that conclusion itself with the formation of the Spicer commission. And yet, now before Spicer has returned, now before Gordon Smith and the federal bureaucrats have gone through their papers and presented them to the nation, this government blunders ahead with constitutional reform.

We do need a restructuring. It may well be that we are in 1865 and that great foresight is required. But, it will not be shown by this government.

There can be a no more manifest attack on national unity than the discriminating attack on certain parts of our country. My colleague from Newfoundland has spoken eloquently about this, as indeed have my other colleagues from the maritime provinces.

Let me speak a little bit about another part of the country that is suffering as a result of this budget. Quebec, Montreal, and you will forgive me but my own riding of LaSalle—Émard—

[*Translation*]

Ever since this government came into office, the economic situation in the Montreal area has been deteriorating. There is only one message in the Minister's Budget: Your are on your own! Good luck! With its fiscal policies, the government clearly indicates that it could not care less about Montreal's economic development.

All the same, my city is certainly the Mecca of Quebec entrepreneurship. It holds an enormous potential which could help Canada improves its competitive position. Unfortunately, the government stands idly by and allows a potential which a great many envy us to be wasted.

In Quebec, over the past 12 months, the number of personal bankruptcies has increased by 67 per cent and the number of business bankruptcies by 26 per cent. It is scandalous!

Last month, Montreal was the city which recorded the highest unemployment rate in Canada: 13.4 per cent. The rate in Montreal East was over 20 per cent. The Tory government has abandoned Montreal and Quebec. Its policies have ruined one of the finest economic areas in the country.

[*English*]

I can see the clock is winding down, so just let me make one last remark in conclusion: Our country is in the throes of a national unity debate unseen before in our history. We are in the midst of a massive economic decline, permanent job loss and fundamental change far deeper than any of us ever anticipated, certainly far deeper than this government anticipated when only six months ago it failed to understand what everybody else in the world knew: Canadians were suffering deeply and the recession was biting hard.

• (1310)

This budget makes a bad situation worse. The continuation of high interest rate policies, the lack of decent adjustment programs, the continued strengthening of the Canadian dollar, all of which have crippled the nation, show on the part of this government a lack of economic and national understanding which is simply unforgivable.

An hon. member: Absolutely.

Mr. Martin (LaSalle—Émard): A nation needs national purpose. This budget represents national defeat. Let us in this House at this critical juncture of our country's history give the nation hope.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have to say I am always one to carefully follow the speeches of my hon. friend because his father, of course, was previously the member of Parliament for the area which I now have the honour to represent.

I do want to ask the member two or three questions. As I look back to the period of the last Liberal government that we had in this country, I see first an attack on the Public Service not much different from the attack that took place in this budget, the six and five program. I see, second, an approach to the tax system which built into that tax system a great many of the problems which we continue to attack the finance minister for today, such as the capacity for companies to borrow money here in Canada for activities any place throughout the world and to be able to deduct the interest costs of those funds from their taxes that they would otherwise have to pay

here in Canada, something which costs the ordinary taxpayer in this country a great deal.

I see as well a reduction, which the Liberals started, in the rates of income tax for higher income earners in this country—the 1983 budget of Marc Lalonde which brought tax rates for upper income earners from 42 per cent down to 34 per cent. Conservatives have taken that down to 29 per cent, which I am sure we both agree is unfortunate in terms of fairness in this country and in terms of a sense of national unity in this country.

What seems to me to have been the case in these three areas that I have cited, and I could cite many more, is that the Liberal Party started in the direction which the Conservative Party has followed. I want to ask the member whether he is, in making his strong plea for national unity in this country, saying that he will renounce and that his party renounces this past record of serving the privileged, of helping the wealthy, and of assisting the large-scare corporate sector in this country. Has there really been a case of the leopard changing its spots?

Mr. Martin: I would like to thank the member for his references to my father, who I believe in fact is probably watching this particular debate. I hope he is not watching the debate because if indeed he is, he, who loves this House and who certainly loves his city of Windsor, would feel quite badly about the shallowness of the intervention made by the member for Windsor.

I grew up in a family where the Public Service was something to be very proud of, with great names around our diningroom table—the O.D. Skeltons—the great names that one reads about today. How any member could think that the Liberal Party, which effectively built the structure of this nation and made the Canadian civil service what it was, could engage in an attack on the civil service or would reduce it, is really base partisanship that is unworthy of this member who has an otherwise impeccable record in this House—occasionally.

There are a couple of other things that I would like to say.

At the time the Liberal government brought in wage and price controls, inflation was triple, almost quadruple what it is today. The world was a far different world, and I am glad to say that it was Liberal policies—a far greater preference to absurd high interest rates that we have now—that brought the country back.

I would also like to say to this member that as I sit there watching the activities of Bob Rae in Ontario and I see as he reneges on election promise after election promise, when I see Bob Rae begin to retreat into a narrow little shell and that all the rhetoric that the NDP has stood for suddenly finds itself to be empty and worthless as he tries to grapple with the realities of government, I begin to understand what hypocrisy really is.

Some hon. members: Hear, hear.

Mr. Martin: I would also like to say to this particular member, as he asks the question "why should the Canadian government support Canadian companies that operate around the world ?", that he is indeed giving us an indication of how narrow the NDP thinking is. Let the member understand that great companies are the instruments of state and they are the agents which provide young Canadians with value-added jobs. I want to be in a country who's companies are operating in Malaysia, South America, and around the world. This member may think that the world ends at our borders, but it does not. We Canadians are prepared to take on anybody. I think it is disgraceful that the NDP, so rooted in the orthodoxy of the 1930s, fails to understand that this country can compete with anybody. We can take on anybody. This country can win.

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): I would like to direct a question to the hon. member for LaSalle—Émard. He is a gentleman with a tremendous business background and brings a very astute mind to this Chamber. But I would like to ask him if he would agree on what has really been the record of control in the last 20 years. Let me remind him that it is factual that, for 15 years prior to 1984-85, the Liberal government spent, on average, an increase of 13.8 per cent a year. That literally doubles, as he knows, every six or seven years. The record should also show that when we assumed office, the national debt of this country was around $200 billion. Again, with his business background, he would understand compound interest. We have been running deficits, but lower, for the first four years. The

compound interest on that debt amounts to approximately $120 billion.

• (1320)

The legacy that the Liberal government has left Canadians is a burden something in the order of $320 billion.

Now, he just spoke of hypocrisy in the other opposition party here. I would like him to comment on the scandalous out of control spending for 15 years. That is what Canadians are going to remember. That is what is going to be in the history books. Would he like to dispute that factual account of the disastrous control by the Liberals.

Mr. Martin: Mr. Speaker, the member talks quite eloquently about compounding interest. What he really ought to understand is that what this government understands is compounding problems.

It is very clear how this country got into the soup. Following the free trade agreement—again, whether you were for the agreement or against the agreement—this government made a series of fundamental mistakes. I have been told by the Speaker that I must move quickly. Number one, no adjustment policies; number two, the government drove the dollar to 86 cents; number three, it drove interest rates up five points higher than the Americans and we were not able to compete, and you took us into this recession eight months ahead of the Americans, eight months. It is the first time and we are going to come out of it a year later.

We are in this because of the deliberate decisions of this government. The member knows it. Unfortunately, I am out of time.

Some hon. members: Hear, hear.

Hon. Bob Layton (Lachine—Lac-Saint-Louis): Mr. Speaker, Canada has one of the highest standards of living in the world and a quality of life second to none.

[*Translation*]

We are indeed fortunate to be Canadians and to live here, Mr. Speaker.

[*English*]

But there is a battle that we have been fighting since 1984, a battle to restore health to our economy and to pull ourselves out of the hole the debt has dragged us into. We are paying the price now over and over again for too many years of consuming more government services than we were willing to pay for and borrowing to make up the difference.

In 1984 the previous government handed out $1.33 in programs and services for every dollar it collected in taxes. Today our public debt is forecast to reach $400 billion by mid year, about $15,000 for every man, woman and child in Canada. The interest alone on the debt will eat up more than $43 billion, more than we spend on old age security, unemployment insurance and family allowances combined.

This cannot continue. As trustees for Canada's future, we must keep it strong and free for our children and all who follow.

[*Translation*]

Yet, Mr. Speaker, the 1991 Budget puts forward a plan for economic recovery. The Federal government wants to make the recession something of the past.

[*English*]

This budget will rebuild consumer and investor confidence and lead us into the environment of continuing growth and renewed prosperity. How can this be achieved? By creating the essential conditions for recovery. Increased spending will not create these conditions. Lower interest rates will. Lower interest rates will bring direct economic benefits to Canadian homeowners struggling to make their mortgage payments. At the current rate of about 12 per cent, a $100,000 mortgage with a 25-year amortization requires monthly payments of about $1,030. But the same mortgage at a rate of 9.5 per cent would require payments of about $850 a month, representing a savings of $180 a month or nearly $2,200 each year.

It is clear that for my constituents, living at the west end of Montreal, and for all new Canadian homeowners, our commitment, this government's commitment to lower interest rates, will be a direct economic benefit.

The plan for economic recovery is going to bring down interest rates by lowering inflation and by setting the government on course to balance its budget and reduce its borrowing.

The answer is not more spending. More spending would drive the interest rates up. The answer is lower spending and lower interest rates.

The new budget is quite simply an all-out assault on the deficit. All GST revenues will be used to service the debt. Grants to business and special interest groups will be cut by $75 million this year and $125 million next year.

The increase in cigarette taxes by three cents a cigarette will help keep the deficit down and, at the same time, discourage teenage smoking.

There will be no new income taxes, but unemployment insurance premiums will be increased to make sure this program pays its own way as required by law.

It is a tough plan. It is directed at the government, too. Ministerial salaries for the Prime Minister and all cabinet ministers will be frozen for a year. Members' and senators' salaries will again be increased by less than the cost of living. Senior management positions in the Public Service will be cut by 10 per cent.

Operating budgets will be frozen at current levels, and the government will legislate mandatory program spending limits.

This new budget plan will be tough on all governments, but we are not asking the provinces to do anything more than what we are doing ourselves. The 5 per cent growth limit on Canada Assistance Plan transfers to the wealthier provinces will be extended to 1994-95.

But, CAP contributions, these same contributions and equalization payments to less wealthy provinces, will continue to be exempt from budgetary controls.

The per capita freeze on established program funding announced last year will continue, but EPF transfers in total will continue to grow with the increase in population of each province.

Limits to the growth of transfers under EPF has raised concerns about the federal government's ability to continue enforcing Canadian national standards, particularly in medicare, under the Canada Health Act.

This has been addressed. Legislation will be introduced to ensure that the federal government continues to have the means to enforce these principles and standards. The commitment to medicare in Canada will not be compromised.

Our battle is not only to restore Canada's economy, to bring about short term economic recovery, but to set the stage for a long term recovery assuring a stable and competitive economy, providing job opportunities for all who are ready to work.

All Canadians are in this battle. As the Minister of Finance stated in the House this week, there is too much at stake for anything less than a full national effort.

Yes, Canadians enjoy a quality of life second to none and we want to ensure that it stays that way.

Mr. John Manley (Ottawa South): Mr. Speaker, I do enjoy listening to hon. members from the government side talking about the burden of the national debt. It seems they always like to go back to 1984 and talk about the deficit at that time.

I would like to remind the hon. member who has just spoken of a couple of things. First of all, his government came into office in September 1984. Shortly after that, the Minister of Finance projected in an economic statement in November the deficit for the year in which the government was elected, 1984-85.

By the end of March, he had exceeded his own forecast because he put every possible expenditure he could find and shoved it through the books of the country in that fiscal year. He still cites that as being the Liberal deficit.

Not only was that the case, but when he looks at the numbers, he will discover that more than half of the current national debt has been run up by the current government and the current Minister of Finance, almost $400 billion of debt, more than double what it was when he took office. That is from a government that was elected to bring down the debt.

• (1330)

I want to ask him to comment on two quotations that I am going to read to him. I would like him to say what he thinks about these views, which were expressed with respect to an economic statement at a time when the country was coming out of recession.

The first one is this, and I quote: "In this budget that the minister has just presented unemployment insurance premiums are going to increase by 40 per cent. That is purely and simply a tax increase. It is a tax increase when it can be least afforded and it is another colossal error".

The second quotation is: "The minister announced a $500 million job-creation program. I guess we have to say, Mr. Speaker, it is a step in the right direction. They have addressed the problem of unemployment in this budget, but it is a very small step. Five hundred million dollars sounds like a lot of money, but it is $300 per unemployed worker and amounts to some one-quarter of one per cent of the total size of our economy today".

An hon. member: It sounds like Wilson.

Mr. Manley: Those two quotations are from the present Minister of Finance.

Does the member agree with the Minister of Finance in 1982, or does he agree with him today?

The Acting Speaker (Mr. Clark (Brandon—Souris)): Just before recognizing the hon. member and giving him a chance to reply, may I inquire as to whether or not he is planning to use his full 20 minutes and a 10-minute question period, or is he sharing his time with someone else in light of the fact that he did not speak for the full 20 minutes?

Mr. Layton: No, I will be happy to provide that time to the other members.

My hon. colleague from the opposition has raised the question of the national debt. There is no question, as we spent and spent in the 1970s and early 1980s and came into a period of recession in the early 1980s, that the ability of the government to tax at the rate it was spending became impossible. It was totally non-political to consider taxing, but it was very political to consider spending.

Buying our way out of trouble was the in thing. The community that we are all part of in Canada became a me, me, me society. "Look after me". "Not in my backyard" was another expression we used to hear.

The real truth was that we became convinced we could afford anything. Suddenly, it became loud and clear that we were going into debt at such a rate that the debt would decide what we could do in the future. The size of the debt and the interest on it were the determining forces on whether or not we could include day care centres or service of all kinds of programs.

To not reflect on those years when we used to increase spending, on average I think the estimate was 13.4 per cent per year, and brought it down to where in these last six years since our government was elected with an obligation to the voters of this country that we would attack the deficit and control the debt and manage the economy, we actually have increased our government expenditures at less than the cost of living, meaning we are constantly reducing the fat in government.

The fat can be overlap; it can be duplication. All of us know that between this level of government, the provincial level of government and the municipal level of government there are sometimes three agencies looking after the same service. The answer is that we must come together as a country and eliminate this kind of waste.

One way of promoting that kind of dialogue and that kind of resolution will surely be when we stop providing the money to be spent. The open-ended "you give away the service and we will pay for it" has to end. This government in these last two budgets has made it very clear that we are no longer going to spend for excess.

Let us get together. Somebody raised the question, I think it was the hon. member for LaSalle—Émard in his remarks earlier, that this kind of activity is going to break up Canadian unity. It is the one thing that gives our country the chance not to blow our opportunity through waste, duplication and overlap. Let us start bringing all provincial governments and all municipal governments into the same harness that says there are only so many dollars in the kitty, in the taxpayer's pocket. We cannot charge it to our grandchildren or their children.

I might answer the second question which was in the area of UIC. It is now becoming accepted that it needs to and, by law, must meet its obligations.

We are going through a period of recession. There are demands on those funds. They have to be met by law. But, there are already indications and forecasts from all kinds of sources that with the way in which this country is being governed, in comparison with our big neighbour to the south and all our other trading nations, we will be into a recovery before mid-year, or certainly into the early part of the second half of the year.

With those job opportunities, we will be back on the cycle we began in 1984, since when there have been 1,600,000 new jobs created, many of them out in the west end of Montreal.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I thought that what the hon. member for Lachine—Lac-Saint-Louis, in Quebec, had to say was very interesting. During his speech on the Budget, he mentioned cigarettes. If I remember correctly, one of the major companies in the province of Quebec is Imperial Tobacco. Canada's heaviest smokers are probably in Quebec.

That being said, I want to get back to the cigarette issue. He seemed proud of the fact that the Conservatives were now going to take 3 cents more per cigarette from young people in Quebec and across Canada, every time they smoke a cigarette, which means 75 cents more per package.

He seemed to be proud of taking money from young people, because it hits them where it hurts. It takes two or three kicks to teach them how to do things properly. I can inform the hon. member that is not the way to explain cancer-related problems to children. If you are really interested in dealing with smoking, you should do a lot more research on cancer related problems. You should spend a lot more money on research and on publicizing the negative effects of cigarette smoking. You should spend more money on public education, to help people quit smoking gradually.

I repeat, kicking people in the pocketbook or in the face is not the way to correct their vices, if it is a vice.

The Acting Speaker (Mr. Clark (Brandon—Souris)): Please keep your answer brief.

Hon. Bob Layton (Lachine—Lac-Saint-Louis): Mr. Speaker, in response to the concern raised by the hon. member regarding the introduction of youngsters to the hazards of smoking, it is certainly primarily incumbant on parents or grandparents like me to promote caution.

In my youth, smoking was considered harmless. Today, its dangers are well known, as are the costs involved for every citizen once the habit is firmly rooted and the demands on our health care system to treat, patch up or save the smokers' organs. All that is known. By charging 75 cents more on each pack of cigarettes, we are giving a clear indication to our young people who have some financial means, yet limited, that we, in this country, want them to take a good hard look at that habit.

I hope that this obstacle, this reservation expressed nation-wide, will make our young people across the country think of their health before becoming smokers.

• (1340)

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I rise before the House as the member for Winnipeg North and also as the Official Opposition critic for National Health and Welfare. I will therefore focus my debate on the budget in this area.

With this portfolio comes a responsibility to warn this government that its new budget will provoke the destruction of health care as we know it today. I am surprised the members of government need to be warned. The signs are all around them.

For months I have been watching the steam build on the issue of medicare. It started with the budget of last year, and then I saw Bill C-69, the complicated government expenditures legislation, slipped past this House and into the Senate and given Royal assent sadly early last month.

This Bill C-69 launched a critical government assault on medicare. As the social and health care groups across the country can attest, Bill C-69 is a deadly bill for health care and other social programs. It freezes and caps transfer payments, the amount transferred by the federal government to the provinces to aid medicare and post-secondary education.

With this freeze we will cripple medicare, we will cripple post-secondary education, and we will cripple other social programs.

And so the steam builds. Adding to the pressure was a particular meeting in the autumn of last year when western finance ministers grouped in Winnipeg, in my home city of Winnipeg. Something very significant happened at that meeting, something that will bear on Mr. Wilson's budget, on this government's budget.

The western ministers agreed the federal government should deliver transfer payments while relinquishing control over national standards of health care. They want a disentangling of federal funding and autonomy for health care policy in the provinces.

The steam builds under medicare.

On December 7 last year came an announcement from the Minister of Health from Quebec that he planned to revamp his province's existing health care system. This included a $5 disincentive fee, which I prefer to call a user fee for non-essential visits to the emergency wards.

I do not blame Quebec. Provinces are being forced to take initiatives like this one because the federal government has been limiting its proper financial share of the implementation of medicare.

There you have it all. All the signs are before you, Mr. Speaker: the budget of 1990, Bill C-69, the threats by the provincial finance ministers, the flagrant disregard for the Canada Health Act, and failure on the part of this federal government to enforce that Health Act. All the signs, all this steam building under medicare—pressure, pressure, and more pressure.

Then three days ago the government delivered the fatal blow and this is not exaggeration. The fatal blow to universal health care came when Mr. Wilson skimmed an additional $2.3 billion from transfer payments to the provinces.

Did he not see the signs? Was he not forewarned of the volatile situation of health care? Why did he not move to protect the health care system instead of pummelling it with further cuts?

I cannot understand it. Our health care system is one of our most prized possessions of citizenship and now it is slipping from our grasp. Or should I say medicare is being torn from our grasp by this government?

I shake my head in wonder as I hear the government rationalize its decision. As the government says, and I quote:

> Legislation will be introduced to ensure the federal government continues to have means to enforce these national medicare principles. The principles of the Canada Health Act will not be compromised.

I believe the compromise took place long ago when in a Centre Block boardroom in this building, Mr. Mulroney and his ministers decided to whittle transfer payments down to the quick. Now they promise the new legislation, and I quote: "The principles of the Canada Health Act will not be compromised".

But I ask: Why is new legislation necessary? The current legislation enables the government to enforce the five cardinal principles of medicare: accessibility, portability, universality, comprehensiveness and non-profit public administration.

The key enforcement tool is the ability to cut transfer payments. That is in the Canada Health Act. How ironic that the government is bartering away its enforcement power. In the words of my colleague, my deputy leader: "He who pays the piper calls the tune".

Who will be calling the tune? Will it be the federal government or the provinces? Who will be dancing to it? The poor, the elderly, the children of poverty and the struggling middle class.

The weakness lies not in the Canada Health Act; the weakness lies in this Conservative government.

How can the Canadian people trust the word of this government as they are being asked to do? How can this government protect medicare?

Let me give you two examples of the deep concern the government holds for the principles of the Canada Health Act.

For years the citizens of Quebec have been denied portability, often paying out of their own pockets for health care received in other provinces. Has the federal government interceded on their behalf? No, instead, a blind eye has been turned to the situation. Quebec is forced to do this because the federal government is not doing its share.

Has the government intervened when Alberta and British Columbia charged all citizens, regardless of income, the same premium for health care?

No, it has not and it does not. People from those provinces who cannot afford their premiums are disallowed from visiting doctors and medical care must be received from the emergency wards.

The federal government has set the stage for a showdown between provinces and the Canada Health Act, and what a fight it will be. In one corner are the provinces, determined to win autonomy over health care. In the other corner, Mr. Mulroney, Mr. Wilson, Mr. Beatty, seemingly championing the cause of universal medicare.

Honestly, who do you believe will be victorious in this battle? If I were a betting man, I would not put my money on the triumph of medicare.

The provinces will undoubtedly win and leave that ring flanked by an entourage of extra billing and user fees. And medicare, which was promised by that great Liberal Prime Minister, Mackenzie King in 1919, would suffer defeat.

How long will it be before the provinces call the bluff of the federal government?

What have they to fear?

The minister of health for Quebec no longer believes the federal government will protect national health care standards. He stated that Ottawa has been reducing transfer payments to provinces, proving that the federal government can no longer afford universality of health care. This would suggest Mr. Côté believes that reduced transfer payments have exacerbated the stress to the health care system. He believes Quebec should make its own way and avoid federal government bungling.

• (1350)

Quebec's Intergovernmental Affairs Minister has said that government has no business dictating health care standards for his province and, to do so, is unconstitutional.

The Minister of Health for that province also said: "Certain provinces—"—and he was alluding to Alberta and British Columbia—"—have shown an interest in debating with the federal government the relevancy of some provisions of the Canada Health Act. We are one of the provinces and we will open the debate."

In 1946, another great Canadian, Tommy Douglas, introduced the Saskatchewan Hospitalization Act providing public insurance coverage for hospital care. Later, in 1966, the National Medical Care Insurance Act succeeded this legislation.

Eventually, posed by threats of extra billing and user fees, the Liberal government introduced the Canada Health Act. It was ushered in Parliament and passed in April, 1984 with the approval of all political parties and all Canadians. It has been a source of national pride. It is a solid piece of legislation and one that has the respect of the world. Our health care system is second to none. It belongs to all Canadians regardless of race, culture, place of residence or earnings. It should be protected and must be preserved.

Instead, this federal government is eroding medicare away to nothing. The government will explain this away and patronize Canadians with the quotation: "You simply do not understand", and, "Let me explain one more time". But make no mistake about it, medicare is in danger.

Continually, the government points to the national debt as the reason for all the hardship in this new budget. I heard it today, I heard it yesterday and I have heard it many times. I am equally concerned about the national debt, but the total national debt is not the equivalent of per-person debt as this government would like all Canadians to believe. It is not. Eighty per cent of that money is owed to municipalities, provinces, other Canadian citizens and the Bank of Canada, and therefore as revenues to the government. Please remember that the debt has doubled since this government came into power. You cannot criticize the past when your own past is not as good.

The government also says the rising public debt is a growing concern, a cause for concern. I, too, believe the increasing public debt is a grave situation, but I must point out that the Tory government caused this recession which led to drastically increased bankruptcies which fed into the public debt and neither the public debt or deficit should be used as an excuse to deny funding to medicare.

The detractors point to our health care system and criticize. They say we already have too much, that we must learn to expect less from medicare and from the government. Well I have this response for them. It is easy to speak against medicare while you are healthy and wealthy. Not everyone, like members of Parliament, can be treated at the exclusive National Defence Medical Health Centre clinic, but if they had to join a queue for life-saving surgery or seek treatment in an overcrowded, understaffed health care facility their thinking might change.

Indeed, sometimes health care can mean the difference between poverty and prosperity. This morning, at the Canadian Medical Association Leadership Conference, a distinguished Canadian, a former member of this Parliament, the hon. Mitchell Sharp said:

> I was saved from personal bankruptcy by a universal system of health care.

For most, the case is different. They will not miss medicare until it is gone.

Here in Canada, even before the newest funding cuts, people were dying while on waiting lists for surgery. This is shameful.

I ask the government to turn its attention to the hospitals closing beds due to lack of funds. Explain to patients and staff that transfer payment cuts are not a problem, that direct taxation by the provinces will fill the breach.

Meanwhile, our nurses and doctors are flocking to practice in the United States. American companies hand out glossy brochures displaying sunshine and smiles. Money is not an object, the way it is in our country, despite the fact that more of their Gross National Product goes to health care than any other country.

As our shortage of nurses becomes critical in Canada, we will see them disappear, beckoned south by higher wages and salaries that are commensurate with the respect they deserve.

Look south again for the services Canada has not the funds to provide: the state-of-the art cancer treatment centres; centres for rehabilitating victims of drug and alcohol abuse; facilities for children suffering from psychiatric illnesses.

These are just some of the services Canada cannot or does not provide its citizens fully.

There are other things as well. Treatment facilities for new diseases and for the elderly. We lack new technology and laboratory equipment, and its purchase is becoming an impossibility.

These are the problems with health care now, today: beds closing, inadequate care and stressed health care professionals. How can funding cuts be justified?

There is an old saying that goes like this: "If you have not got your health, you have not got much." How true.

Unfortunately, medicare will collapse into a state of extra billing and user fees. A two-tier system of health care will develop. The rich will be segregated from the poor by expense and privacy, while the poor languish in over-crowded, sub-standard hospitals and clinics where health care professionals struggle to accommodate them.

This is not fear-mongering. This is the reality we face if health care is not made a top priority by government.

Yes, we have the verbal reassurances, the confident answers that seem to rise with ease from this government in trying to quell the fears of Canadians.

On December 3, the Minister of Finance said: "We have no intention of relinquishing any sense of responsibility we have for the National Health Act. We have every intention of continuing to assist provinces and in particular, assist those provinces that are low-income provinces to assure that they can continue to provide the services that are available in the wealthier provinces of the country."

That same day, the Minister of Health said that no changes to the Canada Health Act were being contemplated.

Yesterday afternoon in this House, under question by my colleague, the Liberal finance critic, the Minister of Health in reply declared that Canadians had a choice between "debts, higher taxes and cuts". He said what threatens Medicare is "the interest being paid on the national debt".

In a recent interview on nursing published today, Mr. Beatty denied there is a crisis in nursing and said: "The strain on the health care system is a symptom of our success. The birth rate is low and the elderly are living longer".

I guarantee you, 1.5 million unemployed and more than 1 million children living in poverty are not the hallmarks of success.

We have been reassured again and again and again by the Prime Minister and the Minister of Finance that health care is not in danger. Now, we are assured freezing transfer payments is the lesser of three evils: cuts, debt and higher taxes.

In fact, the Liberal Party has been accused by this government of scare-mongering and of misrepresenting the facts for pointing out that health care is being disassembled piece by piece. Well, in the remaining minute, no matter how you analyze the issue, these cuts and freezes and caps are hurting medicare. Not only are they destroying medicare, but they are crippling Established Programs Financing.

Did you know, Madam Speaker, that within the budget there was no mention of child poverty or day care? And $100 million were taken from the job creation fund.

The poor are met with cuts or contempt, enclosed in a thundering silence from this government that does not care for them and does not care at all.

• (1400)

Yesterday, I had a call from Joanne Oberg of the Canadian Day Care Advocacy Association. She asked my staff if they knew of cuts being made to her program, which is partially funded by the Minister of State. The government's promised universal day care program was a fleeting election fantasy, now replaced by an impending threat that even day care organizations will be cut off. Again, who will be hurt by this? Those who have the least.

I must again reiterate the fact that there was no mention, not one word, in the budget of a strategy for child poverty and how to solve it. When will the government move on this issue? Why does the government not take revenue from the GST, which we oppose, if the revenues will be there and apply it to our future, our children? Children cannot eat line graphs on inflation and promises of decreased debt. All the talk and rhetoric from this government will not make them grow strong and healthy. They need immediate help now. It is deeds, not words, on which this government will be judged by all Canadians.

Mr. Felix Holtmann (Portage—Interlake): Madam Speaker, I just happened to hear from the hon. member from Edmonton that there are a few pigs out there. The hon. member for pigs. I do not know what this man is really referring to, but he may want to get up and make a speech on it.

I would just like to make a comment and ask the hon. member from Winnipeg who spoke of the dire straits that the Liberal Party finds now in this country since the Conservatives have been in government. Apparently, listening to what the gentleman said, the country has deteriorated in its ability to deal with health problems because of the finance minister's budget. There is, he said, some indication that we have nothing but poverty among our children of Canada, as if you go down the street and they are all holding out a little can for food aid.

If you listened to the member from Winnipeg, he painted a picture of this country just being in total despair as a result of this government. Yet, he also believes that if the Liberals were in power, they would address the dire needs of this country. He made no mention at all of the tremendous growth in the economy and in the way government dealt with a severe deficit when we took power in 1984. He does not even wish to consider that as an area of concern by the party of which he is a member.

I would like to ask the member from Winnipeg, just what does he see as the answer to this severe problem of poverty in children and homelessness? Is it to spend $1 billion, $2 billion or $3 billion or $5 billion at this time, to borrow the money to overcome that problem? Is that his party's answer today, to spend more money? And, by doing that, would his finance critic stand up in the House six months from now and say: "This government has allowed the deficit to grow", and criticize the very government that he would ask to spend the money? These are the questions that he has not answered in his condemnation of the finance minister's budget, and I would like to hear what he has to say in that regard right now.

Mr. Pagtakhan: Madam Speaker, it is regrettable that the hon. member was late in coming in because I did indicate and I tell this government that you cannot equate the total national debt as the equivalent of a person–to–person debt, because only about 20 per cent of the total national debt is owed to foreign people in foreign currency.

When you pay interest and principal to the Bank of Canada, that is revenue for the government of this country, so do not mislead all Canadians. They are more intelligent than you think.

I am very serious. If they would care to go to the Library of Parliament and research, read some excellent works on economics by a professor at the University of Manitoba, they would have no basis asking and commenting this way.

Second, the hon. member from Portage asked if I would borrow money, as though borrowing money for a good cause is bad. When children are sick, would you let them go and die and be hungry in their stomachs only because we would like to allocate money for military arms, for CF–18s, the nuclear submarine program that

we asked be scrapped, and it was scrapped because once you listened to us.

Borrowing and investing in the future of our country is not deficit, it is investment. How can you say that you would like to be competitive and then reduce transfer payments for education, and then make it difficult for our young people to learn? They may even die and you want them to be competitive. You want them to develop expertise. I cannot understand this member's understanding of health care at all.

What would I do? I would establish a policy of full employment for this country. I would increase the minimum wage for federal civil servants. That is how you solve poverty.

I would end my answer to the hon. gentleman by saying that denying that problems exist is not the way to solve the problem. Denying that poverty exists is not the solution to the problem of poverty. Denying that there is a crisis in the health care system is not the way to solve the crisis in the health care system. I am reminded due to my medical background that denial on the part of a patient is not the way to participate in treatment.

Mr. Jim Karpoff (Surrey North): I think all Canadians know that the New Democratic Party is the party that was responsible for the birth of medicare in Canada with Tommy Douglas taking the leadership in Saskatchewan against tremendous opposition, including the opposition of doctors who went on strike, like my colleague who just spoke, against medicare.

When national medicare was brought in, it was a partnership between the federal and provincial governments, a 50–50 partnership, and that partnership carried on until it was smashed by the Liberal government. In 1977, when the established program funding was introduced, it was to get away from the cost-sharing of a 50–50 partnership.

I would like my hon. colleague to say how come it was the Liberals who started backing away from the 50–50 partnership. First of all in 1982, when Allan MacEachen, that famous person in that other place, ended the revenue guarantee. It cost the provinces $1.2 billion in lost revenue by 1984, $1.2 billion that the Liberals took out of national medicare by 1984. In addition, the six and five program took another $250 million out of post-secondary education.

The precedents for the smashing of the partnership between the provinces and the federal government were put in place by the Liberals. The foundation for the devastation of medicare that the Tories are now going forward with was developed by the Liberals.

I would like the hon. member to explain how he can now stand up and criticize the Tories for doing exactly what the Liberals did.

• (1410)

Mr. Pagtakhan: Madam Speaker, had the New Democratic Party introduced this budget, I would criticize the New Democratic Party. You have to know who introduced the budget.

Second, when one has only a selective memory, it is bias. In my speech I gave credit to Tommy Douglas, but this member who posed the question refused to acknowledge the lesson of history. It was the great Liberal Prime Minister, Mackenzie King, who in fact promised medicare for this country. And that also, incidentally, can be researched in the Library of Parliament.

Madam Speaker, if a member would like to ask a question and receive an answer, he must listen. Since he refuses to listen, I will end my answer.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, it is a privilege to rise in this House and address a few comments to the budget and to the overall fiscal situation of the country.

As you know, I have recently been away and have had a lot of time to do reading from a broader scale of material than we read when we are actively day-to-day fighting the battles here in the House of Commons. I also had a chance to travel across the country and speak to people as Canadians, without them knowing that I was a member of Parliament or in public life at all. I have found out some interesting things.

Madam Deputy Speaker: A point of order from the hon. member for Winnipeg North.

Mr. Pagtakhan: Madam Speaker, I missed a crucial fact, and I must apologize.

I would like to say that I resigned from the medical association when it tried to fight medicare.

Madam Deputy Speaker: That was not a point of order, according to our rules. But I see that the hon. member wanted to set the record straight.

The hon. member from Lethbridge has the floor.

Mr. Thacker: Madam Speaker, one of the points that came home to me very strongly as I talked to people, without them knowing that I was a member of Parliament, was the fact that they think that what we get into in this House is really a bunch of silliness. People are truly fed up with the way the minute the television camera hits us, we all start to act as if we were Clark Gable. It really is a tendency, and I am not criticizing anyone else any more than myself, because that is the reality of what we do. The minute television hit the House of Commons, we all became actors and the power had to leave. The decisions are now made in committees, where we do not have television, because we cannot seem to address the issues in a sensible way.

What I would like to try to do today is to say a few words about the reality of the situation. If I had any goal, it would be to try and face the world as it is today and have Canadians who might be listening this afternoon realize that the budget has to be seen in a broader Canadian context and, indeed, in a global context.

The opposition parties, of course, will adopt the strategy that we used in opposition. It is a strategy of trying to pick out little parts of the budget and blow it up as if it were the most important part of the budget, rather than seeing everything in a broader context. That is a very clever debating strategy, and we all do it. But I think the citizens out there often forget that that is the debating strategy and the tactic that the opposition parties use, and quite properly use.

I think Canadians are beginning to realize, too, the awesome power that special interest groups have come to hold in our country. I can say as an elected person over the last 12 years that the growth of the special interest groups and their power to virtually force us to make decisions in their favour rather than in the common good of the nation as a whole is very disturbing. I honestly do not know what the answer is. It is much worse in the United States of America, where individual congressmen are virtually captured by what they call PAC groups—personal action committees—which pay them a lot of money and get them re-elected. We do not have that problem to the same extent here because we use financing through the tax system. I think that is an excellent system and we want to keep that up because it puts more distance between us and the special interest groups. Nonetheless, the combination of a powerful special interest group and the national media, as we all know as members, here in Ottawa is totally isolated from the reality of Canadians who live in each of our individual ridings.

We are all very happy with our regional media who try to give some balance and are much better in giving both sides of the story than the national media. The national media seems intent on bringing down a Prime Minister or a government of whatever stripe is here. It is as if the national media believe that they are the opposition of the country and have a credibility or have the right to destroy people. They will destroy anybody in this House if they can get anything on you with absolute immunity. That is not right, but again with this concept of freedom of the press, I myself do not know how we can control it. I know that it is at the point where we have got to do something to bring that into a better system of balance.

What is the context of this budget and the government policy in general? I think again we have to understand the world as it is. There have been enormous changes in the world in the last 5, 10, 15 years. For example, in the European Economic Community we find this very powerful grouping of the European nations. It will be a common market by next year and they will have fewer barriers regarding the transfer of goods, capital and labour between sovereign nations than we have between our 10 provinces in this country.

Just think about it. Less than 50 years ago they were at war with each other and killed millions of themselves in that Second World War. Yet today they have fewer barriers regarding the transfer of goods, capital and labour, between the sovereign nations than we do here in Canada.

The think tanks, or the economic groups, tell us that there are some 1,600 barriers between the free transfer of goods within this country. In agriculture alone there are something like 160 barriers to the so-called Canadian common market. What that means is that as a nation we have not been able to compete with the other countries in the world.

Then look at Asia. Look at that ASEAN group with Thailand, Brunei, Singapore and Malaysia. They again are into a common market that is very big; over 300 million people and the free transfer of goods, capital and labour.

We had to do something in this country because we are 24 million people. We are not isolated in the world. It is true that our dairy industry operates only for the Canadian market. It is true that the poultry industry and the feathered industry operate only for the Canadian market. But virtually every other aspect of agriculture—beef and grain, our forestry industry, our mining industry—creates wealth for us and has to compete in the world. Therefore, we have to meet that global situation. Whether it is with our tax system, whether it is with our free trade agreements, or whether it is with the tariff system, we have to be able to get on and compete in the world. That competition is fierce.

Privatizations; countries around the world of whatever political stripe, New Democratic, Liberal, Conservatives have all moved to privatizations. Why have they done that? Simply because it has been shown by just hard day-to-day evidence that nationalized companies cannot keep up in the marketplace. They cannot make those competitive decisions fast enough. They cannot deliver the goods. Partially, the reason is that when they are controlled politically, when they get into trouble, rather than making the proper decisions within their corporate context, they come to governments and governments bail them out. Again, as a special interest group, when they come in and say to us "If you do not give us this money, we are going to lay off 10,000 employees", of course we give them the money. Other countries have done that around the world. The solution has been to privatize, get the company out where politics cannot play a role in it and distort it.

What is the marketplace? It really is simply the sum total of all the individual decisions that Canadians make and people in other countries make.

• (1420)

That amounts to the marketplace and we believe fundamentally, or certainly I do, that millions and millions of individual decisions taken in the best interests of individuals themselves will lead to a far wiser result over all than if a government cabinet of whatever political stripe—it does not matter to me whether it is Conservative, Liberal, or NDP—makes them. I just know from my life experience that governments cannot make those decisions to replace the millions of individual decisions that people make in their own interest.

The Liberal Party once believed that, and then under Prime Minister Trudeau it got off on a different track where it was much more socialist. The NDP is still, at the national level anyway—they are much more realistic at the provincial level where they have actually have had to exercise power—locked into the ideology of centralization. The NDP still wants to nationalize banks, to nationalize the CPR, and to nationalize the distribution of farm products.

I think the NDP will gradually get away from that. I hope they will in their next national policy conference. The fact of the matter is that social democratic countries across Europe are getting rid of their manufacturers' sales tax which we finally have, they are recognizing the rights of intellectual property.

Just think of the battle we had over the patent legislation on drugs. No doubt some years ago the drug companies were increasing the prices higher than they ought to have and so nations reacted. Other countries put in price review boards. What did Canada do? We took away their patent rights. So why would a company do any research and development in Canada? Of course, it would not. It would do its research in Germany, in Britain, in Switzerland, the United States where it could get a patent right.

When we tried to give patent rights here and instead substitute a prices review board we had an awesome fight. The NDP was instrumental in opposing that and held it up for many months.

It was the same with plant breeders' rights for agriculture. Other countries moved to plant breeders' rights 15 years ago. I can remember Eugene Whelan bringing in plant breeders' rights. We were in favour of it but the NDP and a number of church groups were opposed. They actually held up that bill for 15 years. By the time we brought the bill through, Canada and its young researchers are 15 years behind.

Fortunately, I have to say, they learned their lesson because when we came to the Integrated Circuits Intellectual Property Bill, to give patent rights to the people who design these chips and the way these microchips work, both opposition parties were in favour of that. But

they delayed the drug patent bill, they delayed plant breeders' rights.

Yet social democratic countries around the world adopted them years ago, 15 years ago. Why is it that Canada has to be so far behind? That is what has hurt us. We are behind. As a developed country we should be ahead. We should be leading the charge, not following along behind.

I have mentioned a number of things, for example, the GST. That fundamental move to replace a tax on our manufacturers, again other countries around the world had a manufacturers' sales tax and abandoned it years ago, but not Canada. We hung on to it and hung on to it, partially because this House has become stymied in being able to act quickly enough. Finally it has been replaced and we are joining the world community of nations in having a consumption tax. It is far better to tax consumption—people who consume more pay more—rather than taxing savings because it is the savings in a nation that are used to build its plants. It is savings that are used to refurbish plants, to move into new industries.

We have even got away from that. We were spending our savings on consumption. We were spending our savings by giving it to provinces, for example, the Canada Pension Plan. There is a contrast between the Quebec Pension Plan, where those premiums are taken and put into investments to build their province, and as a result Quebec today has a very dynamic small business industry, and the Canada Pension Plan, which was given to provinces at a very low rate of interest and they spent it on operating programs. As a result we have had to borrow money. We have a national debt of $400 billion of which half is owed offshore. We are totally captured by the capital markets of the world.

The new budget—the reality of 1984.

I want Canadians to appreciate the significance of 1984 and that budget deficit of $38 billion because it had two components to it. One component was the operating deficit and that was some $16 billion. What that meant was that Canadians were receiving $1.33 worth of programs. They were only being taxed $1 and the government was borrowing the rest under the table.

Now for the individual it looked good. They had these wonderful programs. We love them. We were only taxed a dollar so we still had lots of money in our pockets. What did we do? We went out and paid too much for our houses, we paid too much for our farms, we paid too much for our businesses. So that in the area where I come from, land that was valued at about $100 per acre, based on its productivity, suddenly went up to $600. Of course, it could not continue on that basis because $600 land cannot be paid for with the produce it produces.

So, naturally, those are the farmers today who are in trouble, the people who bought that land for $600 an acre in my hometown, when it was really worth $100. That was all a result of receiving $1.33 in benefit programs and being taxed only $1 and the government borrowing the difference on the side, so to speak, or practically under the table. So the national debt started to grow.

When we came to power, we had a $38 billion deficit; $16 billion on the operating and $22 billion already for interest on that national debt.

Could the government change that around in one year? Well, anyone with any common sense knows that it cannot do that. It cannot increase taxes by $16 billion in one year and cut programs by $16 billion. We had to come up with a staged program. The first goal was to balance the operating budget, and our Minister of Finance did that in five years. It went from a deficit of $16 billion to, today, a surplus of $12 billion.

What that tells us is, if past governments had not built up the national debt, we could, this year in this budget, reduce taxes by $12 billion. Every cent of the deficit today is interest on the national debt. It was unnecessary because when Mr. Trudeau came in, indeed, Mr. Turner was the Minister of Finance who had a surplus budget. He started us into that routine of deficits and every year for 15 years the operating budget went up by 14 per cent. The Liberals did not have the honesty, I think, to turn to Canadians and say "look, you want this program, fine, here is a corresponding tax to pay for it".

If we could just put an amendment in our Constitution that governments had to say "for this program there is the tax, what is your choice", that would force a lot of

restraint on governments and save people from getting into this long-term trap.

The people who should be really annoyed are the young Canadians. It is the young Canadians who see in this budget, for the first time, some hope. First of all, we are going to start to pay. Our generation is going to have to pay for these programs that we are using today. We are going to have to pay the taxes to not only cover our programs today, and we do, but we have an extra $12 billion in taxes to go toward interest on the national debt.

With the GST, by 1994, if everything works out, and nobody can guarantee that it will—but it is a reasonable plan and the past plan, to take the $16 billion deficit on operating to a $12 billion surplus, worked—we hope that by 1994 we will be equal. We will not have to borrow in the markets. Would that not be marvellous, that the federal government would not have to go out and borrow new money from Canadians. Then that money could be available for developing the economy and doing what Canadians want.

Then, what also happens is, as we pay a dollar down on the national debt at that time, we do not have to pay interest on that dollar the year after and we can get it going in an upward spiral so the more we pay on the debt, the more interest we have, we can then pay more on the national debt. It will be marvellous, but it is going to take 15 to 20 years because you cannot get yourselves into trouble over 15 years and get out of it in one or two years. It will probably take 15 years before we are out of it, but hopefully the national government will stick to that plan so we do not back off.

• (1430)

What I thought I would do with my remaining time is talk to Canadians who might be listening today about some of our programs. The Established Programs Financing transfers from the federal government some $20 billion to the provincial governments. When the opposition says that medicare is being destroyed, that is that tactic of trying to take one thing and trying to put some fear into Canadians, but it is not really based on reality. Twenty billion dollars a year is still being transferred to the provinces for medicare.

The reason medicare is in trouble goes back to that original program where the federal government was transferring money to the provinces, and the provinces were using it without being accountable. That is the fundamental problem that we have to solve. The people who spend the money should also have to tax for it, because they were getting the money, using it, but not giving any credit. We were taking on the national debt but they were spending the money.

In my home city of Lethbridge we have two huge hospitals. When you go out and look at all the little surrounding towns, you see every surrounding town has a hospital. We have not applied our medical capital well. We could have done it better and should have done it better. It is clear to us now but we have all these buildings. We have people working in all the buildings. How do you get rid of them?

It is the same with post-secondary education. The federal government pays an enormous percentage of the post-secondary education operating costs across the country. We get absolutely no credit as members of Parliament, nor do we get any say. At least in health care we have these five comprehensive conditions that we can hold up to a greater or lesser degree. In post-secondary education we have nothing. The federal government should have much more say in post-secondary education because it could then direct it in the national interest of Canada in order to compete with the other countries of the world.

I see my time has expired. I would love to go on for another half hour because I have many things I would like to put out by way of my point of view.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I enjoyed the words of the hon. member opposite. I know he has been here for quite a while and I thought he would be getting educated each year, but he seems to be going in the reverse direction.

He talked about our party being honest with the people and, if we did not have the money to spend for the programs, we should have told Canadians that. I was wondering if he could explain to the House and to Canadians why his party, in the first year of office, spent $34 billion over revenues that it took in? Why were they not honest and why did they not Canadian people: "Sorry, this is $34 billion we do not have and we cannot spend"? It would have been at that time, six years ago,

that the annual deficit and the public debt would have started going downhill and have not gone from $177 billion to $400 billion. I would like his explanation on that.

I would also like his explanation about the hospitals and post-secondary education. I do not know what he is recommending. Is he recommending that we eliminate the hospitals from small towns? Is that what he is suggesting? Yes, maybe the hospitals should be more efficient. I guess that is the Tory philosophy, yes. They are closing post offices so they want to close hospitals too.

He also mentioned that the federal government does not get any credit for post-secondary education. I disagree with him. The more students we graduate and at a higher level, the more we all get credit: the entire country, the nation. And we become more competitive.

I do not know what kind of credit he is talking about, that this *x* number of dollars came from the federal government and so that is our credit. Is he not forgetting that there is only one taxpayer in Canada? And, regardless of whether it is the federal, the provincial or the municipal government which takes it out of the taxpayer's pocket, it is still the same taxpayer that has to pay for that post-secondary education and for the hospitals. Are they trying to deceive the public by cutting the transfer payments to the provinces, making the provinces the fall guys and they are going to be the good guys saying "look how we have reduced the deficit", but not looking at the number of students who now cannot finish university or the number of people who cannot get hospital care because they have to wait and wait?

I used to enjoy the hon. member's speeches when he first arrived here, but something is happening to him and I do not like the change.

Mr. Thacker: Madam Speaker, I am delighted to respond, because in my comments I gave the answer to his question. He would have liked us to balance the budget in one year, in 1984. That is what he is saying.

The Minister of Finance was honest with Canadians. He said: "Look, we have this $38 billion deficit. There is $16 billion on the operating program and $22 billion in interest on the debt". We did not believe we could turn that around in a year, but we do have an economic recovery plan that he set out very carefully, an agenda for economic recovery that had over a period of years the solution to it. We have taken that operating deficit of $16 billion and turned it into a surplus of $12 billion. That is a major step ahead.

In another two or three fiscal years, we will have it so that we will not even have to borrow for the interest on the debt. That will be another milestone in this nation.

It is true that we will have basically a balanced budget in terms of financial requirements, but we will have a national debt perhaps even as high as $500 billion. It is only from that time that we can start to pay down the national debt.

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, I keep hearing from the opposition side about cuts in the transfer payments.

I would like to hear from the member for Lethbridge if he has a list of figures to substantiate or refute the accusation of how badly we have kept to our transfer payments.

Does he have something to say, for instance, on the elderly? Does he have an idea or figures that could show from 1984 to the present time how the elderly have fared through the transfer payments? Does he have any kind of a list?

Mr. Thacker: Yes, I do, Madam Speaker.

An hon. member: A well researched manual.

Mr. Thacker: My colleague knows that I speak out on other occasions and she agrees with me that it is a good point to make.

If you listen to the opposition you would think there had been cuts to everything. When I look at the figures for 1984, compared to 1991, I do not see that at all. Look at the transfers to individuals. Elderly benefits in 1984–1985 were some $11 billion. This year it is $19 billion. That is not a cut; that is a massive increase of $8 billion.

I will move to another one: equalization. In 1984–1985 the equalization payments were $5.3 billion. This year they are $8.4 billion. That is an increase; that is not a cut. Turning to Canada Assistance, $3.7 billion then; now it is $5.6 billion.

If we look at natives, they received $1.2 billion in 1984, and this year it is $2.8. Of course it is being wisely spent.

There are now over 18,000 natives in post-secondary education. It was not anywhere near that back in 1984.

I came to town here with all of the prejudices and the myths that we learned at our grandfather's knee. One of those realities was that regional spending was not as high then. This is the transfers on regional and science, $1.4 billion. This year it is $2.6 billion. I am immensely proud when I go home to able to say to my neighbours: "Look, here is what it was in 1984 and here is what it is today". While we have increased the program spending to seniors, we have been able to decrease the federal budget, the deficit, and the national debt that will be on the heads of our children.

Turning to agriculture, which is critical for many of us including the member for Essex—Windsor, the amount the federal government spent on agriculture in 1984 was $707 million. This year it is $2.8 billion. That is not a cut; that is an increase of enormous proportions. I thank my colleague for giving me the opportunity to express that view.

• (1440)

The last one would be just even as a percentage of program spending. In 1984 the transfer payments to individuals were some 29 per cent. This year it is 35 per cent. So we have made some very fundamental shifts. We are transferring more federal dollars to individuals.

If I had my way, we would not spend one cent on a province. We would give all of our hospital dollars to people. We would give all of our post-secondary education dollars to students and let them make the choices as to what university they went to. That is what I would do.

Mr. Jim Karpoff (Surrey North): Madam Speaker, one of the things I hear the Tories talking about is that they really support medicare; they think it is a national program, but the problem is the financial position of the country.

I have heard the Liberals say that they really supported the birth of medicare. I would like to read what the Liberal resolution was when they first talked about it back in 1921. It said—

Some hon. members: Oh, oh.

Mr. Karpoff: Listen very carefully because I cannot distinguish between what the Liberals said and the Tories say now. It said that "Insofar as may be practical, having regard for Canada's financial position—". The same argument that the Tories are now using to kill medicare is the argument that the Liberals used back in 1921. I would like the member's comments on that.

Mr. Thacker: Madam Speaker, I don't think I should get involved in this lovers' spat across the way.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I am very happy to be able to rise this afternoon and speak on the budget on behalf of the New Democratic Party. Because I am the critic for health I wish this afternoon to focus mainly on medicare as it is outlined in this budget.

I think that initially we have to take our minds back to how medicare was born in Canada. First of all, of course, medicare came out of Saskatchewan with Tommy Douglas and the CCF. They fought against tremendous odds, tremendous power groups, including a doctors' strike, to bring in medicare. Without that determination and philosophical commitment to a universal, free and accessible medicare by Tommy Douglas and the CCF, we would not have medicare in Canada.

The whole question of the national medicare program was developed on the basis of a 50 per cent partnership between the federal government and the provinces. It came out of the Hall commission in 1964.

One of the things I do not understand about the Tories is that they appointed Emmett Hall. He was their person and he came across with the concept of a partnership in medicare, a partnership between the provinces and the federal government. He decided there would be a 50-50 partnership in financing, in responsibility for ensuring the health of Canadians, for innovation in terms of delivery of our health care and in research.

Medicare has been one of the national programs that has held this country together. It is based on a partnership, an equal commitment by the federal government and the provinces. That has held and has been a unifying force in this country.

What we have now is a unilateral decision by this government and by the preceding Liberal governments to dissolve the partnership, to simply say, "We are not going to meet our end of the bargain. We are not going to assume our responsibility. We are simply going to walk away from this partnership".

It is clear that Canadians realize what is happening to our medicare system. I would like to quote from the Canadian Medical Association. It said that it is alarmed at the decision to dismantle Canada's national medicare program. The Government of Canada is financially strangling medicare. This is from the same people who initially fought medicare.

We have the National Council of Welfare saying that it has grave concerns about the future of medicare. The freeze on Established Program Financing could mean the death of medicare as a national program by 1996.

What we have is a systematic erosion of our medicare system starting with the Liberals and being accelerated by the Tories since 1984, reductions of projected transfer payments in 1986, in last year's budget and now. What does this mean in terms of loss of revenue to the provinces?

The accumulated loss of revenue to the provinces is now $29.4 billion until the year 1994–95—that is $29.4 billion. It is not to the wealthy provinces alone. It is to some of the provinces that right now cannot afford to provide health care. Provinces like Newfoundland are going to lose $900 million.

British Columbia, my own home province, is going to lose $5 billion. I come from the riding of Surrey North where we have a dramatic shortage of hospital beds, one third the number that is necessary. This government has strangled our ability to develop new hospital beds.

Saskatchewan is going to lose $1.5 billion. By removing the ability to finance medicare, this cut is the strangulation, there will be an end of the cash.

The Tories have been trying to tell us for the last several months that that is not true. Last fall when I asked these questions the health minister and the finance minister denied it was going to happen. Now they are admitting it is going to happen.

It is going to happen as early as 1994 to 1995 for the large provinces. Of course, what does the Minister of Finance do in his budget? He says: "Don't worry. We will insist on national standards although the money will not be there to be transferred. We will bring in new legislation under the Fiscal Arrangements Act to ensure that the provinces comply with the Canada Health Act."

I would like to inform them that Alberta, British Columbia and Ontario receive no money under equalization payments. How are you going to insist that B.C. comply with the act when they do not? The only other large chunks of transfer money that the government has is under the Canada Assistance Plan. Can you tell me on that side that if a province is not complying with the Canada Health Act, which you have never enforced before, you are going to stand up and take away moneys for child abuse, foster care from the Canada Assistance Plan because they are not complying with the Canada Health Act?

We have a national unity crisis right now. If the government does that with one of the provinces, taking money away from children because there is no compliance with the Canada Health Act, there would be a total disintegration.

One of the real problems with this budget is that it is a budget which destroys some of the programs that hold this country together, particularly our national medicare program.

• (1450)

The federal government cannot say: "We will call the tune but we will not pay the piper". That is what this budget says: we will stop cash transfers within four to five years, but we are still going to call the tune. That is just not going to happen within the framework of Canada. I think this type of legislation which destroys our national program—that is universally looked upon as one of the best health care systems in the world—is not the way to build national unity.

What is the excuse? The excuse that Tories give is the deficit. I agree that we have a deficit problem.

Mr. Sobeski: But you want to ignore it.

Mr. Karpoff: No, I do not want to ignore it; I am not like the Tories. What we have had in ten years is a bungling Liberal administration which drove this country into one recession in 1982–83, and a bungling Conservative administration which drove this country into a recession in 1990 and 1991.

Yes, there is a deficit, and the deficit is caused by the Tories high interest rate policy, which is costing us $16 billion extra this year in interest payments alone, because our interest rate should be four percentage points lower—$16 billion because the Tories refused to tax their friends fairly. They gave tax concessions to the large

multinational corporations, tax concessions to the wealthy, those people earning $100,000 or more. They will not bring in fair taxation.

Those two things have caused the deficit. They are the main reasons this country is in this position now. If they had brought in fair taxation in 1984, the day they arrived, if they had brought in proper interest rates, we would not be running a deficit of $30 billion this year.

I am beginning to wonder what is behind it. And I think it is that the Tories are philosophically against universal social programs.

An hon. member: Absolutely.

Mr. Karpoff: Absolutely. They want an Americanized system. They want this harmony with the United States that they keep talking about in the free trade deals, harmony with the American medical system, where 57 million Americans either have no medical insurance or are under insured.

Walter Cronkite has done a comparison between the two medical care systems. If you watched the program, you saw the difference. What is going to happen with this approach to our national medicare is that we are going to abandon it as a national program; instead of a blanket, we are going to get ten patchwork quilts. The provinces are going to start, under financial pressure, bringing in user fees, extra billings, a two-tiered health care system.

We already have people in British Columbia, such as the premier of B.C.—that great and fantastic thinker, and I say that a bit facetiously—who was talking about perhaps establishing private-for-pay health care for the people who can afford it. Maybe we should have the Americanization. That is what is going to happen if the federal government abandons its partnership.

In closing, Madam Speaker—I think my ten minutes are up. Are they not?

Madam Deputy Speaker: I realize now that the hon. member was expecting to speak for ten minutes. I think there was an understanding that members who wished to do that would advise the Speaker. The Speaker cannot guess at who will be sharing time.

Mr. Karpoff: Madam Speaker, I will be speaking for 20 minutes. I am glad there is a consensus in the House that I will now speak for 20 minutes.

The program that Walter Cronkite narrated was a very well documented and thoughtful program. He documented the problem of the American health care system, and some of the problems of the Canadian health medicare system. One of the things we have to realize is that there are problems within our Canadian health care system. There is no doubt we have problems we must address. They are the problems of escalating costs and a lack of distribution of health care across this country by region. There are problems that relate to access, and I want to spend a few minutes on each of those areas.

One of the things we have to start looking at is the federal government's role in looking at alternatives within our health care system.

The federal government has had a major responsibility for promotion and research in health care. It is the level of government that has supposedly been responsible for doing the research that is necessary to innovate within our health care system. It is the level of government that is supposed to be looking at health promotion, such things as anti-smoking campaigns, campaigns for promoting fitness and activity, campaigns which relate to abuse of drugs.

What has the government done in this budget? It slashed its expenditures in these areas, even in areas such as health services and promotion. Grants to voluntary health organizations have been held even, no increase. Grants to support health promotion at the community level have been cut by over 20 per cent.

This is the government's commitment to health promotion. It is the area that we need most. The government is refusing to deal with such issues as the promotion of adequate drug abuse programs, the whole promotion of the health problems of tobacco. The tobacco lobbyists are still preventing this government from bringing in realistic warning legislation dealing with smoking. It is simply because of the financial clout that some of the tobacco lobbyists have with this government.

The other area I want to address does not deal specifically with the question of medicare but with the budget is the reduction in the Canada Assistance Plan.

There is a tremendous tie-in because we in this country know that there is a dramatic correlation between poverty and demand for health care and the lack of health of individuals. We know that as the level of

poverty goes down, the higher the infant mortality rate is, the higher the rate of respiratory disease, the higher the rate of hospital admissions which cost us tremendous amounts in terms of health care. One of the things that this government has to realize is that if they are going to deal with the health status of Canadians, they must deal with the question of poverty.

Yet this budget slashes expenditures under the Canada Assistance Plan that are designed to deal with poverty and child welfare.

Madam Deputy Speaker: The hon. member may want to use the few minutes that are left when the Houses resumes.

[*Translation*]

It being three o'clock, the House stands adjourned until next Monday, at one o'clock, pursuant to Standing Order 24(1).

The House adjourned at 3 p.m.

HOUSE OF COMMONS

Monday, March 4, 1991

The House met at 1 p.m.

Prayers

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Friday, March 1, consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government; and the amendment of Mr. Gray (Windsor West) (p. 17722).

The Acting Speaker (Mr. Paproski): When debate ended on Friday, March 1, the hon. member for Surrey North had eight minutes remaining in debate, plus ten minutes of questions and comments.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am pleased to be able to resume the debate I started on Friday concerning the cutbacks in the budget.

On Friday, I spent most of my time looking at the impact of the cuts to Established Programs Financing, particularly the impact it was going to have on our medicare system, which is now under grave threat from successive budgets by this government.

Today, I want to take a few minutes to talk about the Canada Assistance Plan, which again was a partnership between the province and the federal government. It was a partnership very much like medicare, in which the province and the federal government agreed to share 50 per cent, with the object of alleviating poverty and dealing with child abuse and neglect, and the causes thereof.

In most partnerships, the agreement is that both parties must agree before there are significant changes. However, we have seen in the last two years that this government has unilaterally decided it is going to abandon the concept of partnership with Canadian provinces and abandon the kinds of goals and aims that are set out in the Canada Assistance Plan. It has said that it is going to limit the growth of funding to three provinces: Alberta, B.C. and Ontario.

I think that the Speaker and the House should be aware that this involves just under 50 per cent of the people who are in need of assistance and 50 per cent of the children who are in need of protection in this country. The government is suddenly breaking up the partnership, which affects a large percentage of those who have been assisted by the Canada Assistance Plan.

The government has indicated that the cuts may be as low as $75 million to $80 million a year. The provinces of course have calculated that the significance is going to be dramatically higher, in the area of $400 and some million this year and $600 million next year.

Part of this increase is caused by the dramatic increase in unemployment, which of course is caused by the fiscal monetary policy of the government. But the provinces are being told that they have to pick up the consequences of higher income assistance case loads and more people becoming dependent because of unemployment, and that the federal government is not going to be involved in the cost of that. It is going to dump it on the provinces; it is going to break up the partnership.

A week ago the Minister of National Health and Welfare, with great fanfare, announced his family violence program or initiative against family violence: $136 million spread over five years. There is $23.6 million this year, out of which the minister himself said only $15 million was new money. At the same time, the cost to the provinces is going to be $400 million.

What does the Canada Assistance Plan fund? It funds investigation of child abuse. It funds counselling of family problems. It funds the operation of shelters,

including shelters for battered women. It funds the treatment of children who have been sexually abused. It funds alternate care for children.

• (1310)

On the one hand, with great fanfare, the minister announced a program with $15 million or $22 million in a year and at the same time takes away from the provinces $400 million that is designed to do that very thing. No wonder the provinces are beginning to ask: Where is the partnership? Where is the trust that is normally involved in a partnership?

It simply is not good enough for the government to try flimflam financing, to try this shuffle the peas concept of moving money around and announcing that it is starting new programs when in fact the very core or heart of the ability of the provinces to finance the services that would go a long way in dealing with family violence has been reduced.

The other area of this budget that impacts very much upon families is the reduction in social housing. There is another 15 per cent reduction per year in the commitment toward new social housing; $86 million for all of Canada for a year. My own riding could easily take the whole budget for social housing in Canada and still have a backlog and still have a need.

There seems to be a deliberate, two-pronged attack in this budget. One is the erosion of all social programs: social housing, medicare, and the Canada Assistance Plan. It is the type of erosion people talked about during the free trade debate, that one of the goals of this government was to Americanize our social security and health care systems, to Balkanize it, to fractionalize it, to privatize it, and to make it equal to the United States.

Most of us know that it would be disastrous for working Canadians and Canadians with limited income if the government were able to achieve its goal of harmonization with the United States.

The other goal of this government, as seen in this budget, seems simply to be to dump the problem on to the provinces. It seems simply to say: "We do not understand fair taxation. We do not understand how we can bring in and maintain our social programs. If only we had a proper monetary policy so that high interest rates were not driving up the deficit. We do not understand how we can have fair taxation for profitable corporations to pay at least a minimal tax. What we will do, because we do not understand or have no will, is we will simply dump the problem on to the provinces and let the provinces try to figure out how they are going to deal with the financial consequences".

In my own municipality of Surrey I know how the province is going to deal with it. Unfortunately, it is simply going to say that the necessary additional beds for Surrey Memorial Hospital are not there. They can no longer afford to finance them. They will not worry about the fact that we only have 1.1 acute care beds per 1,000 population, compared to the average of 3.3 beds across the province or the goal set by most organizations and medical people of about 3.4 acute care beds per 1,000 population. They will simply not be in a position to finance any additional medical facilities. They will simply dump the problem further down on the community. It is the same with post-secondary education. The cutbacks mean that the provinces are going to have less money, which simply means that they are going to say to a municipality like mine that we cannot expand Kwantlen College, that we cannot worry about the fact that there were thousands of students turned away this year; that they simply do not have the money.

In summation, this budget, particularly in the area of social services and health care, means that the federal government has abandoned its partnership with the provinces in providing services to the people of Canada.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, the hon. member who was just speaking was making some comments throughout his speech about health care. I note with interest lately that the newly elected premier of Ontario has realized that it is a lot harder to produce than it is to talk. Comments are already being made about the benefits of health care, that maybe there should be a type of clawback tax put in place for those who benefit from health care services in our country.

I just wonder if the member would care to comment on that. Is this his view, that a Canadian who receives the benefit of our medical services and health care services should be taxed as a taxable benefit and therefore have a clawback type tax in place? Is that the member's view?

Mr. Karpoff: Mr. Speaker, I think the premier of Ontario is beginning to realize the financial shambles that the previous Liberal government left them in. He

was told during the election that there was a $23 million surplus, and now he finds out there is a three-quarter of a billion dollar deficit. And, yes, he is having to make some hard choices.

As far as comments that there should be a clawback are concerned, the only people I have ever heard talking about a clawback are the Tories and the Liberals. Certainly the New Democratic Party has always stood against any type of fee for service, any type of two-tiered health care system, anything that prevents accessibility to our health care system.

It has been proven time and time again that if those kinds of systems are brought in, the only people who are hurt are the poor. It does nothing at all to assist in the curtailment of costs. It does nothing to rationalize properly our health care system or services. Therefore, I would certainly reject any type of clawback system in terms of health care.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I would like to ask my colleague to comment on the Canadian unity aspects of this budget.

To me it is a great tragedy that this budget is a strong blow to Canadian unity, at the very time when we should be building our pride in being Canadian. It seems to me universal medicare and our social programs and our post-secondary education programs are being undermined. When we ask Canadians what makes them proud to be a Canadian, those are the very things they will mention first. This government in this budget is undermining them.

I would like to ask my colleague if he would comment again on the consequences of the federal government withdrawing financing and, in effect, withdrawing any kind of national power in the development and the ensuring of universal medicare and social programs.

Mr. Karpoff: I think there is a great threat to unity in this budget. The Conservatives feel that the whole question of how you build a nation is simply a matter of dealing and tinkering with constitutional problems. Most citizens in this country are much more concerned about the unifying forces that they understand as their rights and obligations within the country.

• (1320)

They are very proud of medicare. They feel it is one of the things that has held this country together, that we do have a national program, that we do have national standards, and that Canadians do not fear illness in the same way that Americans do. Americans always fear they will become totally bankrupt if they get a major illness and are under insured. Even the ones who carry insurance find that a year later they will not be reinsured in the United States.

One of the more interesting programs which I think people should watch is a documentary which Walter Cronkite did, comparing the American and Canadian health care systems, because it showed that we do have problems. Those problems are mainly not enough financing to keep up with the increase in technology. However, it did show in terms of the well-being of Canadians and their ability to cope and deal with health problems, we were far ahead.

There are many things in this budget that I am concerned about not only from the program point of view, but also their impact on unity. This is a step towards this term that my finance minister in B.C. Mr. Couvelier likes to talk about, disentanglement. What it means is that the federal government is starting to, without even negotiating, throw up their hands and say to the provinces, "We are going to get out of certain areas. We are not going to be partners in certain areas. We are not going to even wait for a constitutional conference or constitutional change. We are simply going to abandon medicare. We are simply going to abandon our obligation to social programs".

In the fundamental sense, that is probably going to have more impact on the unity in this country than any other significant matter.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I want to make a brief comment and ask the member who made, I think, some very important and reasonable comments about how this budget is going to help destroy medicare in Canada.

He had just started touching on the question I would like to put to him when he made reference to the finance minister in British Columbia, our home province and the current premier of B.C., who I believe the member has had some experience with in local governments when

Mr. Vander Zalm was a Liberal. My constituents are asking me questions and perhaps there is some good political advice I can get from the member.

Mr. Vander Zalm in B.C. on the one hand talks about how the federal government has to pull back out of health care, perhaps do away with the fledgling forestry department and cut federal spending. Yet at the same time, when the federal government does cut funding to the province of British Columbia, he is taking the federal government to court, challenging the actions of the federal government.

The question I would like to put to the member is this. What kind of political approach is this from the premier of British Columbia? Is there some kind of consistent argument we might be able to see in what Mr. Vander Zalm is saying or is it a case really where Social Credit, Conservatives and Liberals are really talking about of the same thing, and that is the destruction of much of what we have come to know as Canada?

Mr. Karpoff: I have a tendency to try to forget my experience with the premier when he was the Liberal mayor of Surrey and I was an alderman on Surrey Council. At that time he was very erratic. I guess over the years he has continued to be very erratic.

Certainly I do not really look at his statements where one day he says that the federal government should get out of medicare. The next day when the federal government starts to withdraw he says: "No, that's wrong". That type of erratic behaviour certainly does not show any consistent leadership.

I guess I am not surprised after being involved with him for 20 years, and knowing his style and his erratic approach to politics and social problems and issues that that is true. However, I am more concerned about the inconsistencies we see evolving in Canada from the government in terms of policy.

At one time the sharing of costs was 50–50. The provinces paid 50; the federal government paid 50. Now the provinces are paying 63 per cent of health care costs and the federal government 37 per cent. With the budget that was brought in last week, I am sure this figure will go down to much more like 65–35. That, of course, is the end of any equal partnership.

Mr. Ken Hughes (Macleod): Mr. Speaker, I would really like to bring this debate back to a sense of reality rather than the sense of mythology that has been built up by my colleagues opposite from over the mountains.

In that vein I am pleased to speak on the budget presented in this House last week by the Hon. Michael Wilson, Minister of Finance. This is an important blueprint for the economic health of Canada, both over the next year and in years subsequent.

The people of Macleod have told me that they want fiscal responsibility from the federal government. We want a bright financial future for our children, not one that has been mortgaged away. Whether I am in Vulcan, Red Deer Lake, or in the Crow's Nest Pass, the message remains the same: "Let's get Canada's financial house in order".

This budget sets out an achievable plan which will meet these concerns I so often hear from fellow Albertans in southern Alberta. It puts in legislation for the first time—this is a historic moment—the requirement for government to restrain spending. It is a major milestone.

When I was first elected to this House in 1988 I brought an important message from the people of Macleod: Restrain government spending and get the deficit under control.

Thoughtful southern Albertans tell me above anything else, their biggest concern is Canada's deficit. They realize that our country has been living well beyond its means and governments have to be ready to say: "Enough is enough".

The finance minister has made it abundantly clear: "Enough is enough".

Our national debt will soon reach $400 billion. That is $15,000 for every man, woman, and child. Interest on this debt is now the single largest expense faced by the government. Interest on the debt alone will cost more than $43 billion next year. That is more money than is spent on old age security, on unemployment insurance, and family allowances combined. It will take tough, determined action to solve Canada's fundamental economic and fiscal problems.

Our government has declared all-out war on the deficit. We have listened to Canadians who have told us to use the GST as a tool to fight the deficit and just as in Alberta we used the Alberta Heritage Savings and Trust Fund for surplus funds, now at the federal level we have

created and are using the Debt Servicing and Reduction Fund to manage the debt.

I must give credit to my colleagues from Lethbridge, from the neighbouring riding to mine, because he has been working away on this, I know, ever since I have been in the House and I know he worked on it before. As an important means to ensure that next time there is an election, and the time there is an election after that, that spending does not become the way to go, that restraint continues to remain an important objective of this government. I give my colleague from Lethbridge full credit for determinedly pursued this question. I know other members worked with him as well.

All GST revenues will be used to bring the public debt under control. Also flowing into that fund will be revenues from the sale of Crown corporations and contributions by individuals and organizations.

• (1330)

The people of Macleod have made it loud and clear that they do not want the GST to be a cash cow to be milked by any government. They do not want revenues from the new tax, the replacement tax, to be used for new and expensive programs. I have been told countless times by constituents at public meetings, coffee shops and on the street that the GST should be used to fight the deficit. It is good advice, and the government has heeded that advice.

With the creation of the Debt Servicing and Reduction Fund, Canadians are now reassured that GST revenues will not be used for new program creation. Legislation will be introduced with that very goal in mind. Of course, as is the case with all government accounts, this fund will be reviewed annually by the Auditor General. Revenues going into the fund will be applied first against the cost of servicing the debt, that is, the interest, and as revenues grow over time, as the economy grows, these revenues will be used to reduce outstanding debt. This is further evidence of the commitment to fight the deficit and the national debt.

To ensure that this spending track is met, the government will legislate expenditure limits on annual program spending for the next five years. Of course, some flexibility will be provided to meet a very limited set of contingencies. This will change significantly the way government manages its expenditures. While new programs to meet new needs will be possible, they will have to be funded from the total legislated spending ceiling.

This government is the first in Canada's history to legislate a ceiling on its spending. It is an historic development and a critical step which helps the House of Commons and the elected government place restraint upon and give political direction to the bureaucracies and the bureaucrats that serve the government and the people of Canada. Of course, this will be of interest to students of public policy because I believe it is a good policy.

But the achievement is also critical to those who serve as elected representatives of Canada. The people have been calling for restraint and through these measures the government of Canada, the House of Commons, is meeting those demands. Much of the nation is now facing recession and this government is going to ensure that the will of the people of Canada is reflected in the federal system. That is only appropriate and it is only fair to all Canadians.

Canadians have told us to control federal spending. We have responded. Legislation will limit growth and total federal program spending to just 3 per cent per year after 1991–92. This is proof positive of the government's commitment in its fight against the deficit.

If you were to talk to people on the street in Longview or Fort Macleod or other communities in southern Alberta within my riding, you would quickly realize that fiscal restraint is what they want. Incidentally, I might note the hon. member for Kamloops sent me a note recently, as he did to all western members, encouraging them to vote against this budget, create an election. This is the most outrageous thing I have ever heard. Well, the hon. member should grow up. He was born, in all places, in High River, Alberta. He grew up in Longview, Alberta. Both communities are in my riding, and let me tell you, the folks back home do not want an election. The folks back home do not want us to vote against this budget. They are saying get on with the business of government; get on with the business of restraining expenditures. I do not know where the member from Kamloops has been for those many years since he left Longview, Alberta, but he has wandered a long way.

Macleod residents do not want to be bought with their own money. Nothing offends them more. They do not want to see lavish government expenditures at the expense of their children. Legislated spending controls provide all Canadians a guarantee of restraint.

Now, if we are to succeed in reducing the deficit, we must practise sustained spending restraint. The government took further action in this budget to restrain program spending and spending on government operations to ensure further reduction of the deficit. The Expenditure Control Plan was announced in 1990 and has now been extended for three years.

This plan affects a wide variety of government spending, but it makes some important exemptions. Those exemptions include: income support programs for seniors, families and veterans; unemployment insurance; equalization; Canada Assistance Plan payments to lower income provinces; and Indian and Inuit programs.

These are all important programs where, quite clearly, this government is demonstrating its commitment to social programs in this country. In fact, the best social program we can provide is a strong economy, employment for Canadians, and the opportunity for Canadians to build their own future. It is through these strong measures that we provide a guarantee of a strong future for all Canadians.

The Expenditure Control Plan will restrain spending growth in a number of areas after 1991–92. For example, these include Canada Assistance Plan payments to the fiscally stronger provinces, funding for science and technology and official development assistance. Other areas of spending will be frozen, such as per capita transfers to the provinces under the Established Program Financing. Even so, total transfers continue to grow with provincial populations.

In all, programs exempt from the extension of the Expenditure Control Plan account for about 60 per cent of program spending and will grow at an annual average rate of 3.9 per cent from 1991–92 to 1995–96. All other spending will grow at an average annual rate of 1.7 per cent. These are tremendous commitments to the need for restraint.

The cost of government operations has been closely controlled since 1984. In real dollar figures, they have actually declined. We intensified this effort in December 1989 with the announcement of several new cost cutting measures.

Canadians want the burden of restraint to fall equally on everyone. My constituents often tell me that they are willing to do their part, but elected officials, civil servants and others in the public sector must be willing to do their share as well. The restraint and efficiency measures introduced to government management are proof that the government has again listened.

The Prime Minister and his cabinet will have their ministerial salaries frozen for one year. Salaries of senators and members of Parliament which currently increase at the rate of inflation minus 1 per cent will be limited to the lesser of that or the average public service settlements.

My constituents want the burden of a weaker economy shared by the civil service. Public servants have not felt the pain of this recession in the same way as do private sector employees. While many people have lost jobs in the private sector, there have been no recent job losses in the public sector, and this is an important question of fairness to all Canadians.

I agree strongly with the government's position not to contemplate civil service wage increases of over 3 per cent a year for the next three years.

I also support the salary limitations placed on executive level bureaucrats and the intention to reduce the number of senior level officials. All Canadians must share the strengths and weaknesses of our economic performance.

These measures will protect jobs, maintain service levels and aid and fight against the deficit. Over the next five years, the government will realize savings of $3.6 billion through these measures.

The government has looked at other areas to reduce its spending as well. I strongly support the government's reconsideration of several large expenditure decisions. The government has looked at a number of questions and has decided it is time to put some of these issues on the back burner and consider them down the road.

I saw newspaper reports earlier last week quoting members opposite, asking the government to increase spending substantially and to ignore the deficit. For example, the member for Essex—Windsor urged the

Minister of Finance to "abandon old Tory deficit cutting policies".

The member for Windsor West said: "The priority at this point has to shift to dealing with the recession." The story goes on to say that "Mr. Gray would not specify how much of an increase in the deficit he would be willing to see".

• (1340)

The last time we were in a recession, the Liberal government of the day ignored the deficit. The deficit doubled from $14 billion to $28 billion per year during that period. That is truly offensive. We cannot afford to do that now. We are still paying the price of those misguided policies of the early 1980s.

The opposition seems to believe that spending more money will make the world's problems go away. It did not work in the past and it is not going to work now. Canadians are telling all politicians that they cannot continue spending that they do not have. Canadians are right.

The people of Macleod have stated clearly that they want the deficit tackled. Our deficit targets are right in line. Despite recessionary pressures, despite the tremendous difficulties of keeping the deficit to where it is now, down to $30.5 billion, there were tremendous pressures to increase that deficit. I commend the Minister of Finance for his tremendous achievement in keeping it at that level.

In 1992–93, with recovery and with lower interest rates, the deficit will fall below $25 billion for the first time in a decade. The need for new federal borrowing in financial markets, the need for us to go out and ask to borrow money from others in other parts of the world or from other Canadians, will be eliminated in 1993–94. That will be a great day for Canada.

The deficit is the government's number one priority, but we have to remain mindful, and we do remain mindful, of the current recession. The government has allocated extra money to where it is needed most. Program spending will increase by $7.5 billion in the next fiscal year.

The majority of this increase will go to three areas: $3 billion will go to the assistance of the unemployed, an important contribution in that area; $1.6 billion will go to the elderly; and $1.3 billion for farmers who face tough times.

This budget allocation for agriculture is critically important in my riding of Macleod as it is based primarily on agriculture, much of the riding. The $1.3 billion commitment in the budget is the government's recognition, yet again. We have done this year after year after year under this government, the recognition of the importance of agriculture in the Canadian economy and the social fabric of so much of rural and small-town Canada. It is good news for agriculture, it is good news for the small communities that depend on agriculture and so it is good news for the whole riding of Macleod.

Farm leaders across Canada were quick to offer their praise for the budget. Alex Graham, chairman of the Prairie Wheat Pools said: "It's a real positive sign of government's commitment to agriculture". Don Knoerr, president of the Canadian Federation of Agriculture said: "You obviously have to be pleased that the need of farmers, though desperate, has been recognized by the federal government". Harvey McEwen, president of the Western Canadian Wheat Growers Association said: "It's an extremely good sign. The funding has bought us time to dig ourselves out of this."

There can be no doubt of the importance agriculture plays in Canada's economy. The government has recognized this in this budget and it is supported by the agricultural community. I might add that it is something that is critically important across western Canada.

As a member of Parliament from western Canada, I am heartened once again by the commitment shown and the leadership shown by the Minister of Agriculture, and to the commitment of this government to follow through, to support our farmers in the midst of this, particularly, the international trade war between the Americans and the Europeans. This has been a problem for all grain producing countries for years and we are all optimistic that through the negotiations at GATT over the next year or two that we actually will get to a point to deal with some of these issues in the international context.

In the meantime, this government stands by agriculture.

In conclusion, the 1991–92 federal budget, I think, can be best described as tough but fair. The government has confronted the deficit head on, but all Canadians will share the burden. The budget is a financial blueprint to brighter economic times and a more secure future for

our children and grandchildren. More important, it is what Canadians want.

As I said earlier, the people of Macleod sent a message with me when I was elected in 1988. One of those messages was to restrain government spending and get the deficit under control. This budget reflects what my constituents have requested.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I have a question as well as a comment on some of the figures that were quoted by the hon. member for Macleod. He talked about the extra spending by the government, and I believe he mentioned a figure of $3 billion for unemployment insurance payments.

I want to make it clear to those who are listening to that statement. It sounds as if this is coming directly on behalf of the largesse of the government. It is not quite that simple. The government, as the hon. member knows—and I see him smiling over there—is not lashing out with $3 billion to the unemployment insurance fund. Indeed, I am sure the hon. member will recall, as will other members in the House, that Bill C-21 effectively took the government out of the unemployment insurance business. It was my understanding that, previous to this, the government paid about 25 per cent—in fact, I think it was 26 per cent—of all of the unemployment insurance money. In the days when the unemployment insurance fund was worth around $13 billion, the government contributed around $3 billion.

That $3 billion that it used to contribute is not the $3 billion that it is contributing that is referred to by the hon. member. Indeed, I do believe that there has been some recanting on the part of the government, or change of heart, if you like, in how that money has been collected.

The Minister of Finance in his budget speech last week said that there were no new tax increases. A tax increase comes in many forms—and I do not want to talk about the cigarette tax. But an area that really appalled me and indeed has a lot of my constituents, and I am sure Canadians all across the country, in a bit of an uproar is the bizarre increase in unemployment insurance premiums, to the tune of 24 per cent, on both the part of the employee and the employer. Taken in itself, I think that is pretty terrible. But when you add it to the percentage increase that had occurred as a result of Bill C-21, raising the unemployment insurance premiums for the individual essentially 50 per cent in about a year and a half and the same for the employers, then we have a number of things happening. We have the employees paying tax money so that they can get it back in the form of unemployment insurance; and the employers have to pay more. So, what we have is a tax increase for the individual employees, who in many cases cannot afford another cent from their pay cheques; and indeed the businesses, many of which are small businesses, have to fork over more payments as well.

This, I can assure the hon. member, may be given by the government, but it is given by the government because it is received from the government by those people who are paying the extra unemployment insurance premiums to make up in the next year or two, depending on how you count it and depending on how many we have employed, between $2 billion and $3 billion. So, that equation is about right.

I would like the hon. member, in all fairness, to clarify that.

Mr. Hughes: I thank my hon. colleague opposite for his very thoughtful intervention. But he knows as well as any other member in this House that what the government has asked for is an additional $2.70 a week. He knows as well as any other member in the House that what is required in this country is an unemployment insurance program that is going to be fully funded, that is going to be able to provide the benefits to Canadians who are unemployed. He knows that the people who are going to be able to pay for this are the Canadians who are employed, and that it is only fair that that should be the case.

I think he recognizes that the goal here is to provide for real unemployment insurance. "Insurance" is the name of the program. The burden falls fairly on Canadians who are employed, and the benefits fall fairly to those Canadians who are temporarily unemployed before they get back into the market. I think the hon. member would like to paint this from a certain perspective and that is his prerogative as a member of the House. I see him smiling. We all recognize that that is what he is trying to do.

• (1350)

Realistically, you have to deal with questions like this in a real world. Who is going to pay for additional money if it is just going to be going into the deficit? It is going to be the hon. member's children, my children and the children of our constituents today. You cannot continue to force the deficit off into the future where somebody down the road is going to pay. You have got to start dealing with the question now and here today.

Mr. John Manley (Ottawa South): Mr. Speaker, it is very illuminating to hear a speech from the hon. member in which he talks about the hardships, that the deficit is causing the need for cutbacks. We are ready to slash those civil servants down in Ottawa. The fact that there is the same number as there were back in 1974 is not mentioned. But when it comes to $1.3 billion for agriculture, that is okay. That is really important that we get money to those farmers.

We do not worry about spending money on job creation. After all, our children and grandchildren are going to have to pay for that because it is going to be added to the deficit. It is okay if 1.5 million Canadians are out of work. It is okay if we lose 288,000 jobs in the manufacturing sector, half of them permanently. But send that $1.3 billion out to Macleod, Alberta, because that is where we need it.

I would like to ask the hon. member what he thinks of this. This is what the present Minister of Finance had to say about governments devoting money to job creation during the last recession when the government at that time put $500 million into job creation. This is what he said, and I quote: "The minister announced a $500 million job creation program. I guess we have to say, Mr. Speaker, it is a step in the right direction. They have addressed the problem of unemployment in this budget, but it is a very small step. Five hundred million dollars sounds like a lot of money, but it is $300 per unemployed worker and amounts to some one-quarter of 1 per cent of the total size of our economy today".

Does the hon. member agree with the present Minister of Finance when he expressed the view in 1982 that governments should devote resources to job creation, or does he agree with the Minister of Finance today who says: "Let the unemployed just sit out there and stew without jobs"?

Mr. Hughes: Mr. Speaker, I am very pleased to respond to that interjection. I hope that my hon. colleague is around long enough to have words thrown back in his face eight or ten years after the fact as well, when times are different, when times are changed, when circumstances are different.

Let me tell you, Mr. Speaker, times are very different between now and the way they were in the early eighties. Let me give one example. The first example is the level that interest rates achieved in the early 1980s and the difference that we have been able to achieve through restraining the supply of money in this country, through fiscal matters and monetary policy instruments. We have been able to ensure that the interest rates did not get anywhere near the levels that were achieved by the Liberal government in the early 1980s when they were so irresponsible.

My hon. friend says that we should not support agriculture.

Mr. Manley: I did not say that. I said we should be spending money on agriculture.

Mr. Hughes: He said, we should not be spending money on agriculture. Now, wait a minute. What are we doing in agriculture? What we are doing in agriculture is we are investing to ensure that we have an agricultural system left, that we have the family farm left at the end of this downturn in the international economy. We are investing in a sector that is fundamental to the social and economic health of this country.

I have to tell you, Mr. Speaker, this is the most outlandish statement I have heard this member make so far, questioning what is wrong—

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Ottawa South.

Mr. Manley: I think the member for Macleod, when he examines the "blues" will discover he has misquoted me. I am simply putting his comments with respect to funding for agriculture in juxtaposition to his comments on funding for other job creation.

The Acting Speaker (Mr. DeBlois): The hon. member for Macleod has one minute remaining.

Mr. Hughes: Mr. Speaker, far be it from me to misrepresent any suggestions the hon. member has made in the House. I simply want to assure him that I will do everything I can to ensure that farmers in western Canada are supported when we are in tough times. Clearly, it is a tough time that is going to stretch for a

few years. We have been through this for three or four years already and it is probably going to last for a couple of more years.

We have taken the incredible step of having put in place a safety net for farmers across western Canada to which they contribute a very large percentage and which will help them predict in the spring how much money they are going to have in the fall. This is a tremendous example of the kinds of support we are putting place. We are not just handing money out the door. We are not just shovelling money out the door. We are putting a system in place that puts the responsibility on the farmer to take steps to protect themselves in what is a very difficult international marketplace. That is a fully justifiable system of support for agriculture.

I see my time is up.

Mr. John Manley (Ottawa South): Mr. Speaker, last year when I had the opportunity to address this House on the subject of the federal budget, I compared the Minister of Finance to the emperor who had no clothes. I said that, lurking in the budget document of one year ago, could be found a tacit admission of failure on the part of the minister.

While he was not prepared to admit until the month of October that Canada was enduring a recession, it seemed plain enough to me at the time, that the minister's empty rhetoric signalled a recession under way or about to begin, as well as the realization that past policies had not worked.

Well, the made-in-Canada recession of 1990-91 is now beginning its twelfth month. Almost 1.5 million Canadians are unemployed and unlike last year when it was necessary for the minister's deception to be pointed out, this year it is plain for all to see that this is a minister and a government that have no ideas, no vision for the future, no compassion for the unemployed and homeless and nothing to offer the people of Canada at this time.

Many Canadians now feel that they do not have much to which they can look forward and, regrettably, with the presentation of the 1991 budget, the Conservative government has, if anything, contributed to the despair and discontent that plagues Canada at this time.

[*Translation*]

So we have to add this to the tragic list of a record 5,991 bankruptcies recorded in January. The Tory government has no vision for the future. Theirs is a vision that will bankrupt the country. This Budget smells of despair.

[*English*]

In his own presentation to Parliament, the finance minister has as much as admitted that the economic crisis he brought on is now beyond his control. While the minister says that this budget is designed to give Canadians confidence, that it provides leadership and direction, his own projections quickly make it impossible to share the optimism inherent in the rhetoric. His so-called road to recovery is absolutely meaningless for the 1.5 million Canadians whom he says will stay unemployed for 1991 and 1992.

His recent conversion to concern about high interest rates provides no prospect for relief for mortgage holders and small businesses that will still be confronted, according to the minister, with interest rates around 10 per cent and real rates of about 7 per cent. These projections indicate that the Canadian dollar will remain high and, therefore, Canadian exports will continue to be at a competitive disadvantage.

Furthermore, the government treats the deficit problem in this country as strictly a numbers game with no apparent appreciation for the need to invest in people.

[*Translation*]

Once again, the Tories prove they don't know what they are doing. The 1991 Budget shows they are as lost as they have been for the past seven years.

[*English*]

In the final analysis, they have allowed Canada to drift into engagement in fierce competition in an unforgiving global economy without being equipped to meet the challenge.

Worse still, much of the current economic hardship faced by Canadians was deliberately planned by the government. In the Prime Minister's own words: "We have induced an economic slowdown".

Mr. Speaker: It being two o'clock, the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

HOUSING

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, the shelters for the homeless across Canada are full and overflowing. The best estimate of the number of homeless is vague; somewhere between 130,000 and 250,000 people.

The recent budget has sent another crippling blow to these homeless Canadians. The government has drastically reduced the effectiveness of the federal housing program by cutting new housing initiatives.

According to the Canadian Housing Renewal Association, the 15 per cent cut will result in the loss of more than 3,000 desperately needed housing units. By extending those cuts into 1995–96, we will have lost more than $400 million from the housing budget and thousands of homes for Canadians.

When will the government recognize the problem of the homeless in this country? When will the government devote the necessary time and resources, first, to find out exactly how many Canadians are homeless and, second, take a leadership role in co–ordinating the efforts of all levels of government and the private sector to ensure that adequate housing is available to all Canadians?

* * *

[*Translation*]

CANADA GAMES

Mr. Guy Saint–Julien (Abitibi): Mr. Speaker, although they lost the Canada Games flag by one point, Quebec athletes behaved like winners at the closing ceremonies in Charlottetown yesterday. They were the first to rise to give Ontario a standing ovation when it was awarded the games flag.

Claude Hardy, who headed Quebec's delegation, said that to win the flag, they had to stay up there, and that is what they did.

Quebec athletes won 150 medals, including 63 gold, and set two new games records. Quebec finished one point behind Ontario, losing 256.5 to 257.5.

Three cheers for our Quebec athletes!

* * *

[*English*]

FISHERIES

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, year after year the fishing fleets of the European community have taken more fish than they agreed to take. The word for this is theft. The Europeans are stealing from the fishing families and communities throughout Atlantic Canada. While this federal government imposes severe cuts on Canadian fishermen, it has proven itself incapable of stopping the Europeans from overfishing year in and year out.

In 1990, the Europeans took five times more fish than they agreed to take in the area beyond Canada's 200–mile limit.

From Dr. Les Harris in his report on northern cod, the Fisheries Council of Canada, fishing communities and provincial governments the call has been the same: stop foreign overfishing and extend jurisdiction.

It is time to put the Europeans on notice. It is either stop overfishing or next year find themselves fishing inside newly claimed Canadian waters.

It is time for this federal government to start protecting the interests and futures of Canadian fishing families and communities.

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THE LATE HELEN HUNLEY LIEUTENANT–GOVERNOR OF ALBERTA

Mr. Doug Fee (Red Deer): Mr. Speaker, this is the final week in the term of the 12th Lieutenant–Governor of the Province of Alberta. As an Albertan and as a friend of Her Honour, it is appropriate to pay tribute to Her Honour Helen Hunley.

Ms. Hunley has had an outstanding career, serving first as a lieutenant in the Canadian Women's Army Corps in World War II, a successful business person, a counsellor and mayor of Rocky Mountain House, and later a member of the Legislative Assembly of Alberta.

She served in our provincial cabinet as Solicitor General and Minister of Social Services and Community Health. She retired from active politics in 1979 but was prevailed upon to accept the position of Lieutenant-Governor of Alberta in 1985.

Her Honour tackled this position as she has everything else in her life, by committing herself completely to the role. She has done absolutely everything that could be expected of a Lieutenant-Governor and has done it well. She has fulfilled her vice-regal duties with dignity and dedication and has earned the respect and admiration of all Albertans.

* * *

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, on humanitarian grounds, I call upon the Minister of Employment and Immigration to issue Arthur and Helena Gras and their two children a permit to remain in Canada.

Mr. Gras, a Polish sailor, and his family are now under threat of deportation after being in Canada seeking refugee status for three years.

Humanitarian grounds are based on the fact that both children are Canadian citizens. One child suffers from a rare medical condition that doctors have verified cannot be adequately treated in Poland. Mr. Gras, if he had not been caught in the refugee backlog, would have been deemed a political refugee when he first arrived in Canada in 1988. Mr. Gras has been able to secure employment and the family has adjusted well to Canada.

I ask the minister to show compassion and common sense and stop the deportation of the Gras family.

* * *

GOVERNMENT OF CHINA

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, in June 1989 the world watched in horror as the Chinese government brutally crushed a pro-democracy movement in Tiananmen Square.

That same government has now quietly stepped up its trials and sentencing of participants of the pro-democracy movement, perhaps because the world's attention continues to be focused on the situation in the Persian Gulf.

There is almost total secrecy surrounding the trials in China. Observers from Canada and other western nations have been thwarted in their efforts to monitor this further oppression by the Chinese government.

The war in the gulf is over and, as we work for a new world order, let us not forget there are hundreds, perhaps thousand, of young people in China behind bars and facing an uncertain future, all because they wanted their government to move more quickly toward democratic reform.

We in Canada can and must stand up for the principle of free expression and oppose the use of force against unarmed demonstrators. The Chinese government must be made aware, in no uncertain terms, that Canada is watching.

* * *

UNITED NATIONS

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, the success of the United Nations military action against Iraq will act as a precedent and deterrent to other bullies who attack legitimate nations.

However, there is another benefit less obvious. It will no longer be necessary for countries to spend billions and billions of dollars for weapons to protect themselves from others. In short, they can now choose to spend money on economic development and social programs and rely on the United Nations to defend their legitimate borders.

I am sure you will agree, Mr. Speaker, that this is a legitimate concept for Canada to promote at the United Nations and elsewhere.

* * *

[*Translation*]

SPICER COMMISSION

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, Keith Spicer's statement that Canadians could not care less how the Spicer Commission is administered is outrageous, at a time when the government is making Canadian taxpayers pay for its own administrative incompetence.

Taxpayers do care how the Spicer Commission is administered.

Taxpayers do care about the $25 million they will have to pay for a so-called commission that has lost all credibility.

Quebecers do care about Robert Normand's statements that the Spicer Commission has trivialized Quebec issues.

Mr. Spicer has shown poor judgment and a lack of openness, both to an unacceptable degree.

Mr. Young (Acadie—Bathurst): You are right!

Mr. Rocheleau: He should resign immediately, and the government should suspend the proceedings of this commission and order an inquiry to clear up what we could already call the Spicer Commission scandal.

* * *

CANADIAN ARMED FORCES

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, during the conflict in the Persian Gulf, troops from our Canadian Forces played a major role. Canada did its fair share with all coalition countries in supporting the UN Security Council's resolutions.

During the conflict, many other members of our Forces worked long hours here in Canada to co-ordinate our activities in the Middle East.

[*English*]

I am sure all members of Parliament will agree with my request to have the Minister of National Defence strike a commemorative medal for our members of the Armed Forces. Such a medal would show the appreciation of all Canadians for these dedicated men and women.

[*Translation*]

Now is the time to show how proud we are of our troops, and I think a medal would be appropriate.

* * *

[*English*]

OFFICIAL RESIDENCES

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, this government purports to cut the deficit by saving money, by cutbacks in health, education and the environment.

As a Scots Canadian, we learned a long time ago that you can save money on little things and then you build it up so it becomes a big thing.

• (1410)

I want to suggest to the government that it can save waste in government in little things. I am not just talking about the Minister of Communications' trips and institutions, although it could save on those.

Let us take a look at the official residences: $500,000 was spent on housing in the last six months for the Prime Minister and the Leader of the Opposition. For the Leader of the Opposition, $27,000 was spent on furniture so he could move in; $17,600 to paint the place. That is a little bit more than they pay in Beauséjour. For linens, $11,000, and at 24 Sussex Drive, $629 was spent for slush matting and $1,080 for pest control.

Who is that? The Bloc Quebecois? I don't know.

My Scottish grandmother once said that if you really want to save money, you add up all the little expenditures and you get a big cut in expenditures. The government should cut this wasteful expenditure in Stornoway and 24 Sussex Drive.

* * *

THE BUDGET

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, the recent federal budget is right for the times.

Indeed, as the Treasury Board minister said, the present cost and complexity of government operations can no longer be justified to Canadians. Accordingly, this government will legislate mandatory program spending limits. These should have been in place 20 years ago, but it is not too late.

For the first time there will be in place a law putting ceilings on the amount that politicians can spend. Canadians concerned about GST revenues being used to fund new programs will applaud the establishment of the debt servicing and reduction fund, guaranteeing that those revenues will be solely dedicated to deficit reduction.

The Public Service wage cap, reductions in the layers of bureaucratic management, the 10 per cent cut in senior management, and cuts in grants and contributions send welcome signals to Canadians who are sick and tired of the costs of big government.

This government provides the reductions and reforms that are absolutely necessary if government is to have the funds necessary for essential safety net programs and services. It provides the impetus for lower interest rates

and greater confidence essential to economic recovery for this country.

* * *

WORLD SUMMIT ON ARMS CONTROL

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, Canadians rejoiced with the announcement of the cease-fire in the gulf and the removal of Saddam Hussein's army from Kuwait.

Now that the hostilities have ended, we can focus our attention on rebuilding a safe and secure environment for all the peoples of the world, including the Middle East. Canada has shown leadership in proposing a world summit, under the auspices of the United Nations, on the control of instruments of war and weapons of mass destruction. The agenda should include conventional arms, chemical weapons, missile systems, nuclear and biological weapons.

I wish to commend the Prime Minister and the Secretary of State for External Affairs for the initiatives they have taken today in proposing a world summit on arms control. This is paramount in establishing a new world order for lasting peace.

This is the time to deal with arms control. This is the time to strengthen the United Nations.

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CANADA WINTER GAMES

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, Prince Edward Islanders joined with all Canadians in a celebration of sportsmanship this past Saturday in the co-hosting of the 1991 Canada Winter Games. The closing ceremonies marked the end of two weeks of healthy competition in individual and team sports.

The main theme of the 1991 Canada Winter Games was participation. This year, a record number of athletes showed up, proving that Prince Edward Island could host such an important event. Thousands of spectators, Islanders and visitors alike, came out to enjoy the sporting events.

The sporting events were complemented with the cultural festival called "The Colours of Canada".

The Canada Winter Games were made possible through the dedicated support of Prince Edward Islanders. Over 5,000 volunteers worked to make the Canada Winter Games a great success. In 1991 Prince Edward Island said: "Welcome home, Canada!". Thousands of Canadians responded with overwhelming enthusiasm, and to these people: "We hope to see you again soon".

* * *

THE ECONOMY

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, whose words are these: "Governments must conduct themselves like private citizens. Borrow, if necessary, for capital assets such as a new home, but pay as you go for current expenditures, like the groceries"?

He went on to say:

> The leaders of the 60s and 70s have placed a first mortgage on the future of Canada. The leaders of the 80s and 90s are placing a second mortgage on the same asset. There is no equity left. We must once and for all put an end to the suffocating debt-load we are placing on the backs of our children.

Who spoke those words? The Minister of Finance? The Prime Minister? No, Mr. Speaker, it was the premier of the province of New Brunswick, Frank McKenna. It sounds as if he agrees with us.

ORAL QUESTION PERIOD

[*English*]

CANADA HEALTH ACT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister.

On December 3, the Minister of National Health and Welfare stated, and I quote: "No changes to the Canada Health Act are currently being contemplated".

Last week we learned on page 71 of the budget that medicare cutbacks have created a situation where the current Canada Health Act will no longer be able to protect universal health care. This government is already planning new legislation to withhold funds from other areas.

My question for the Prime Minister is: On December 3, did the minister of health misstate the facts, or has he

only recently knuckled under to the hack and slash medicare approach of the Minister of Finance?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the answer that was given on December 3 still remains. The intention is not to amend the Canada Health Act but to amend other legislation which will protect the Canada Health Act.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, on Friday, the Minister of National Health and Welfare accused the Quebec Minister of Social Affairs of wanting to abolish medicare and destroy our national health care system. Could the Prime Minister inform the House wether he agrees with his Minister of National Health and Welfare, or does he realize that considering the cuts at the federal level, the shoe is actually on the other foot?

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, my comments on Friday were made in reference to the position of the minister from Quebec that the federal government should simply transfer at least $3.6 billion to the province or $14 billion across the board to the provinces and have no say whatsoever in maintaining national standards.

My question to the hon. member for Hamilton East was: Is that the position of the federal Liberal Party of Canada, in view of the fact that she had cited the minister from Quebec as her authority on medicare and federalism.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister.

The Minister of Health and Welfare has made a very serious accusation. He has charged the minister in Quebec with destroying the national health care system.

I would like to ask the Prime Minister whether he agrees with the statements made by his colleague in this House or whether he at least understands that it is the federal cuts of over $1 billion this year that in fact are leading to the death-knell of medicare.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, let me put the question back to my hon. friend.

Does the hon. member and does her party believe that it is appropriate the federal government should simply transfer $14 billion this year for medicare to the provinces and should have no ability whatsoever to have any voice in the use of that money in the maintenance of national standards with regard to universality, portability, public administration or any of the other standards in medicare? Does she believe that medicare would still exist as a national health insurance scheme?

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is also for the Minister of National Health and Welfare.

Yesterday in Montreal the Minister of Finance, after a meeting with provincial finance ministers, apparently speaking of provincial health care programs said, and I quote: "There are going to have to be some changes made".

I ask the minister: Exactly what kind of changes is the Minister of Finance talking about? Is he talking about creating user fees for health care, the shutting down of hospital beds, the elimination of certain medical treatments from coverage from medicare?

How are these kinds of changes consistent with the Canada Health Act? Why is this government trying to destroy medicare by the back door?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the hon. member's question should bear a consumer warning: "Caution: Listening to these statements may be hazardous to the truth".

Nothing could be further from the truth than the suggestion that the federal government wants to destroy medicare. One thing that is clear, however, is that Canadians are spending some $2,000 per citizen, per year on health care. Looked at in terms of percentage of gross domestic product, only the United States among the western industrialized countries spends a higher percentage of GDP than Canada does on health care.

• (1420)

The real challenge for us in protecting medicare for the future is not simply to continue to inflate the system, but rather to ask ourselves whether the dollars that we are spending are as wisely spent as could be the case.

For example, I would have hoped that the hon. member would have strongly endorsed the position that was taken by the Minister of Finance, which will reduce by probably 100,000 the number of young Canadians who are smoking and, along the way, save literally thousands of lives and tens of millions of taxpayers' dollars on medicare.

Hon. Herb Gray (Windsor West): Mr. Speaker, the minister has characterized as being untruthful a direct quote by the Minister of Finance which many of us heard on CBC radio this morning. I will leave it to the Minister of Finance to settle with the Minister of National Health and Welfare on this, but this is an exact quote.

The Minister of Finance laid out the blueprint for the phasing out of federal transfer payments for health care in his own budget document last week. The National Council of Welfare, the government-created advisory body to the Minister of National Health and Welfare, has said, speaking about these cutbacks: "Without federal leverage, provinces could impose user fees—a backward step that would deter poor people in particular from seeking the care they need".

Why does the minister and his government want the provinces to take this kind of backward step?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I did not challenge what was said by the Minister of Finance. I challenged what was said by the hon. member for Windsor West when he suggested that the federal government's goal was to destroy medicare by the back door, a view I might mention that is not shared by Madam Begin, the former Liberal Minister of National Health and Welfare. In an article on Saturday in *The Globe and Mail*: "Medicare will survive," Begin says. "Former health minister says federal cuts not threat to system".

Once again we have the members of the Liberal Party being confused about the total amount of transfers being made between Ottawa and the provinces. At the very same time as they are complaining about reductions in the amount of cash being transferred, they ignore the fact that tax points, which have exactly the same net effect to the federal treasury and to the provincial treasury, are increasing and that the growth in transfers from the federal government to the provinces will be more than 1 per cent for EPF this year.

If hon. members wish to protect medicare, it is important we put the federal government's finances in place so that we can ensure the stability of Canada's social programs for the future.

* * *

[*Translation*]

THE BUDGET

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is directed to the Prime Minister. Today, leading indicators continued to drop dramatically. The recession continues. However, according to the Budget, all is well, as the government says on page 52: "—consumption is projected to rebound vigorously in the second half of the year—".

How can the government expect consumption to get us out of this recession, when the Budget projects that one out of ten Canadians will be unemployed, and when the government is attacking people's salaries and the GST is taking billions of dollars out of the pockets of people across this country?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the indicator to which the hon. member referred does not give us any new information. I think everyone in this House was quite aware of the situation we had in December.

I agree it is a difficult situation, and that is why it is so important for us to take steps to get out of this situation. In this respect, I would say that the latest Budget brought down by my colleague, the Minister of Finance—who would have liked to be in the House but was held up by the storm, on the highway between Montreal and Ottawa—creates exactly those conditions the economy will need to recover.

Of course we must act, but we must deal with the real causes of the problem and create an economic climate that will allow interest rates to go down and be conducive to economic recovery and thus increased employment.

[*English*]

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I say to this government; let's get real. The leading

indicators continue to drop sharply right across this country. This means more people without jobs; it means more children without enough food; it means more families struggling just to make ends meet.

On Saturday the Minister of Finance said he had made mistakes in past budgets. Will this government admit that this budget this past week was a mistake? Will it help the jobless instead of hurting the jobless? Will it cut the big gap between interest rates in the United States and interest rates in Canada? In short, will it do something about this recession instead of trying to make this recession worse for people?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): If the hon. gentleman were to look at his desk he would see a dark piece of metal sticking up. This is a microphone, and through the magic of modern technology it brings his voice to me clearly. He does not need to shout.

Some hon. members: Oh, oh.

Mr. Loiselle: This government is very concerned with job creation. As a matter of fact, in the history of Canada it is the government which has created the largest number of jobs—one million and a half—which has improved productivity. True, after seven years of record growth the economy was over-heating; bungalows worth normally $80,000 were being sold for $300,000, $400,000; the economy was thrown off course. So we needed to act to prevent inflation from making it a continued reality.

To do that, you need to bring down the inflation pressure. And, Mr. Speaker, as you all know in this House that for—I do not know how many weeks, following each other, one after the other—the interest rates have been going down—again last week.

* * *

HEALTH CARE

Mr. Jim Karpoff (Surrey North): I wonder whether the minister can hear the cries of help from the people in the food bank line-ups and the people in the unemployment insurance line-ups.

I have a question for the Minister of National Health and Welfare. His government has frozen funding for medicare for two years, now for five years, yet the cost to the provinces for medicare are increasing at double the rate of inflation.

Will the minister tell this House how he can expect anything from forthcoming provincial health budgets but hospital bed closures, lay-off of health care workers, cancellation of equipment purchases and cuts to all health services, none of which he can control by the Canada Health Act?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the hon. member should be aware of the fact that over the next four years transfers to the provinces across the board will be increasing by some 3.7 per cent per year. In contrast, the federal government is holding its own program expenditures to 3.2 per cent. We are asking the provinces to do nothing that we are not prepared to do even more stringently in areas under exclusive federal jurisdiction.

In terms of the amount of money involved in transfers to the provinces, the savings involved amount to about one half of 1 per cent of provincial revenues.

What I would ask the provinces to do is exactly what is being done by Ottawa; to look at priorities, to set priorities and to decide where they believe that money must most importantly be spent. Certainly health care is one of those key priorities. That is why we are committed to ensuring the existence of a national medicare program.

* * *

SOCIAL PROGRAMS

Ms. Catherine Callbeck (Malpeque): My question is for the Minister of Finance.

Robert Hamilton, executive director of the Hospital Association of Prince Edward Island, said last week that the measures to cut social spending in the budget could lead to bed closures, staff lay-offs and longer waits for surgery. Mr. Hamilton went on to say that Island hospitals have no more fat left to be cut.

• (1430)

Is the minister not aware that his budget is going to damage the quality of our health care system, not only in Prince Edward Island, but across the country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend has to balance the pressures on our health care systems, our education systems, as well as the pressures on the total finances of the country, federal, provincial and municipal. If we do not take the appropriate steps to get our deficits and our debts under control, then it is going to lead to much more lasting damage to both the economy as well as to

these important programs. That is the essential direction the government took in the budget I delivered last week.

I met last night with the provincial finance ministers from across the country and we discussed these things. There was very strong agreement it was important that this government take the necessary steps to control the deficit and the debt for the simple reasons I have just elaborated.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my supplementary is for the same minister.

I have served in Prince Edward Island as provincial Minister of Health and Social Services. I know that the responsibilities of governing require tough choices. But I have to question the judgment and the sensitivity of any government that would try to reduce the deficit on the backs of the sick.

Some hon. members: Hear, hear.

Ms. Callbeck: Mr. Speaker, why will this minister not admit that health care will be adversely affected by the measures taken in his budget?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, this is not what we have done. We have simply asked the provinces to accept a lower rate of growth, but a more significant rate of growth than what we are accepting for our own programs.

I told the provinces last night that we would be spending $183 billion over the next five years on transfers to the provinces. It is up to the provinces to decide where those moneys should be spent. Whether they are spent on health care, whether they are spent on post-secondary education, whether they are spent on highways or whether they are spent on salaries and wages of the people who work for the provincial governments, that is their choice. That is their jurisdiction.

Health care is a priority of this government. It has always been a priority and continues to be one.

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OCCUPATIONAL HEALTH AND SAFETY

Mr. Stan Keyes (Hamilton West): Mr. Speaker, my question is for the Minister of Labour.

Given that this House voted in favour of restoring funding for the Canadian Centre for Occupational Health and Safety, and given the need for preventive health care services for workers, how can the minister justify slashing the centre's budget by another $110,000, adding insult to the $80,000 injury he inflicted on the CCOHS just last November?

[*Translation*]

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, I was delighted to hear that the hon. member for Hamilton West will be at the Canadian Centre for Occupational Health and Safety next week, since we are organizing a conference of occupational health and safety authorities, to stimulate public interest.

As far as the Budget is concerned, as the Minister of Finance just said, all federal ministers have been asked to do what they can to alleviate the enormous deficit a legacy of the government to which the hon. member belonged—and the $110,000 the Centre will be asked to cut from its overall budget of $11.5 million will, I am sure, be expertly absorbed by the centre's administrators who are competent people and who, I am sure, will find ways to continue to do their excellent work with the funds at their disposal.

[*English*]

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I want to thank the minister for his public service announcement for next week and ask the minister when the government is going to start taking responsibility for its own mistakes in policy when it comes to economics in this country.

I am not only speaking on my own here, but also for the president of the CCOHS. He is asking "that this government give us a break". That is his quote. Let us hold to the original terms of the agreement, he is asking.

This government must understand that by increasing funding and access to the centre, it will save money in the long run by promoting health care and safety for Canadian workers.

Injuries to workers costs Canada $29 billion every year. Because of the $1 billion cut to medicare, the government needs to address the issue of preventive health care.

Would the minister not agree that it would be in the best interests of Canadian workers to restore funding to the CCOHS?

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, the recipe of the Liberals has been tried in this country for many years. Whenever there is a problem, they throw money at it and the problem disappears. This is not the philosophy of this government.

Over the years, we have fully supported the CCOHS. Every time they have asked us for bridge financing, we have given it. This year, we have asked the CCOHS to be equal to the other departments of this government and to find ways to continue doing an excellent job with a little less of financing. We are sure they are prepared and are capable of doing so.

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FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, thousands of forestry jobs in British Columbia and northern Ontario have been lost, due in part to the 1986 Memorandum of Understanding on the softwood lumber tariff.

Last week, the minister of trade met with B.C. Premier Vander Zalm to discuss a strategy to fight the tariff. In fact, representations are being made today in Washington, D.C. about the regressive impact that deal is having on Canada.

My question is for the Prime Minister. This tariff is a major trade irritant between Canada and the United States. I would like to ask the Prime Minister if he has raised this matter with President Bush and expressed Canada's concerns over this aspect of trade between our two countries.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the negotiations that the Minister for International Trade is carrying on are ongoing, both with provinces, premiers and ministers of trade from the various provinces as well as the United States.

There has been no decision, no conclusion as yet concerning these discussions but it is high on the agenda of the Minister for International Trade. He is continuing those negotiations.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my supplementary is for the same minister.

In a news report today, for the first time the B.C. Minister of Forests is acknowledging some concern over Canada's sovereignty as it relates to forest policy.

Given these concerns about our political sovereignty, and in view of the fact that the U.S. administration has already asked and used the Memorandum of Understanding on the softwood tariff to question such internal decisions as the setting of Canadian freight rates for the transport of Canadian lumber products, will the minister advise this House what other Canadian policy decisions have been affected or questioned by United States authorities under the aegis of this Memorandum of Understanding?

Hon. John McDermid (Minister of State (Finance and Privatization)): The Memorandum of Understanding was signed between the two governments and lays out very clearly the terms and conditions of that understanding.

There are areas where the United States has the right to look at certain charges and so on to make sure that the Memorandum of Understanding is being upheld. That is the same way as Canada would look at agreements with the United States and undertakings that they have taken such as questioning some of the subsidies they are providing for farmers today in the United States in competition with Canadian farmers.

We are questioning the agreement that they made with Canada. That goes on all the time. As I said earlier, the minister has this at the top of his list. He is in the process of negotiations with the provinces and will be discussing this with his counterpart in the United States in the very near future.

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[*Translation*]

THE BUDGET

Mr. John Manley (Ottawa South): Mr. Speaker, my question is directed to the Minister of Finance. Analysts with the Toronto Dominion Bank say that the Minister's Budget has an Alice in Wonderland perspective. Unfortunately, Canadians do not share the Minister of Finance's fairy-tale view of things.

Now that Statistics Canada has announced that the composite leading indicator has dropped by 0.6 per cent and that the U.S. leading indicator has dropped 0.7 per cent, why won't the Minister of Finance admit that he has lost control of his made in Canada recession and why won't he introduce measures that will put Canadians back to work?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the projections in my Budget are identical to those of the majority of economists in the private sector, i.e., the recession will end by the middle of this year and the economy will show an improvement of 3.5 per cent in the second half and also throughout next year. I think these projections are very realistic and that they are identical to those made by the majority of our economists.

• (1440)

[*English*]

Mr. John Manley (Ottawa South): Mr. Speaker, the minister forgets that the measures he took in his budget have actually changed the projections of some of the private sector economists.

But, in any event, I think Canadians want to know why the Minister of Finance seems to have a tendency to change his mind. Back in 1982, when he wanted to be Minister of Finance, he thought that the government's decision at that time during a recession to increase job creation programs by $500 million was, and I quote: "A step in the right direction, but a very small step". He clearly thought more should have been given.

In cutting $100 million from the Canadian Jobs Strategy, the minister should explain to Canadians why he no longer feels that the government should be helping to create jobs.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, there is a fundamental difference between the picture that we are looking at today and what we were looking at in 1982.

In 1982 there was a significantly less burden of debt on the federal government than is the case now. As I made very, very clear in the House last week, if we were to be increasing the size of the deficit, as I have heard my friend and his colleagues, plus colleagues from the New Democratic Party all saying, spend, spend, spend, what we would see is an increase in interest rates and that increase in interest rates would do far more damage to the economy.

I should also point out to my friend that we are still very much committed on this side of the House to training and the importance of training to Canadian people, particularly to those out of a job. That is why we have transferred a considerable amount of the passive income support moneys in the unemployment insurance fund to active job training. It will amount to some $550 million in this current fiscal year, rising to about $750 million in the very near future.

So the commitment is very clearly there to help people get training.

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CITIZENS' FORUM ON CANADA'S FUTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Prime Minister. It concerns the administration of the national forum on Canada's future.

Last week, Mr. Robert Normand, a member of the forum, alleged that other commissioners were racking up scandalous bills for per diems and expenditures.

Now that these charges have been denied by the chairman over the weekend, will the Prime Minister, in the interest of protecting the integrity of his own forum, table immediately in the House of Commons a list of all disbursements, per diems and expenses paid to each member of the forum? If not, why not?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am glad to inform the hon. member that tomorrow, while tabling my Supplementary Estimates (C) for last year, he will have the numbers pertaining to that particular commission.

Mr. Boudria: Each member?

Mr. Loiselle: Well, as the Prime Minister has indicated in this House before, there are procedures followed by these royal commissions. There are ways that these commissions have to be handled and need to be handled so that they maintain the autonomy that one desires them to have.

So I will be introducing that tomorrow and, of course, all of the expenditures will, in due course, be submitted to the auditor.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, I assume that on the weekend, the Prime Minister was able to consider the allegations made against the Spicer Commission, and my question is this: Could he give the House the assurance that he asked for and, in fact, received assurances that no irregularities had taken place? That is what we want to know.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I may remind the hon. member that the commission member who more or less started all this, if I am not mistaken, but who did so almost involuntarily—

Mr. Lapierre: He talked to his own reporter!

Mr. Loiselle: I think we should let people speak for themselves. It is very easy to make allegations, but Mr. Normand said that as far as he was concerned, he was going to stay.

In any case, there are a number of important rules, and I am sure the hon. member will realize that. When we set up a royal commission of inquiry, the government cannot start interfering and try to run the commission instead of the people who are there.

There are people on the commission like Mr. Normand and Mr. Spicer, and many other entirely responsible people, and I am sure they will see that the commission is properly run. In any case, tomorrow the amounts spent will be tabled and, at the appropriate time, the Auditor General will be able to review those expenditures and report to Parliament.

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[*English*]

AGRICULTURE

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, in the absence of the Minister of Agriculture, perhaps the Prime Minister could help me with the answer to this question, since we understand he was involved pretty directly four years ago with a similar problem in Saskatchewan or on the prairies.

The Canadian agriculture ministers met in Regina on the weekend to finalize the details of the government's farm income safety net program. We understand that they also discussed the emergency interim payments to farmers, allowing them to continue farming until GRIP and NISA are in place.

Can the Prime Minister confirm that the Canadian grain farmer will in fact receive an emergency cash payment or some other form of bankable commitment from the federal government this spring before seeding, and will the Prime Minister tell us what the amounts of this emergency payment will be?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): As my colleague says, Mr. Speaker, the federal and provincial Ministers of Agriculture met in Regina on Friday and Saturday. Given the difficult agricultural situation they agreed on procedures to set up the two GRIP and NISA systems. Negotiations will continue over the next few days to finalize that part.

As to the rest, Mr. Speaker, before that long-term system can be set up to meet the needs of the farming community, the Minister of Agriculture said publicly that he would take temporary measures to help them. When the budget was tabled last week you saw that despite the difficult financial situation the government did manage to set aside an extra $1.3 billion for Canadian farmers. That is a commendable effort in these trying times and in the coming weeks we will decide how these funds are to be expended.

[*English*]

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, my question specifically was whether or not that $1.3 million in the budget would be used for the cash emergency payment or a bankable commitment to the farmers before spring work. That means now.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): As it has done over the past six years, Mr. Speaker, our government will come to the assistance of farm producers. But I would also remind my colleague that, as we did in recent years, we will see to it that the measures to be taken will have a long-term impact. As other members have pointed out, the days of carefree spending are over. Mr. Speaker, we have to be sure that program funding will solve the problem in the long term so that the neediest producers will get that money and stabilize their income for years to come. We will not be acting alone,

Mr. Speaker, for we will seek the co-operation of the provinces, as we did in the past.

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THE ENVIRONMENT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of the Environment. Since 1989 when the government unveiled the $250 million five-year federal-provincial shared-cost program, nothing has been signed by Ottawa and Quebec City to clean up the so-called orphan sites at Joutel, Cadillac, Duparquet and others in Quebec. My question is this: Since you have been appointed we know you are prepared to sign that agreement in the interest of the people of Quebec, so is the Quebec government prepared to enter into a Canada-Quebec agreement concerning the so-called orphan contaminated sites?

Hon. Robert de Cotret (Minister of the Environment): As a government, Mr. Speaker, we concluded the negotiations with Quebec at the end of last November. We have the draft of a bilateral agreement which has been approved by my provincial counterpart and which was submitted to the various committees of the Quebec cabinet for approval. We have every indication that Quebec is prepared to sign the agreement by the end of this month.

Therefore I am hopeful that the agreement will be in force within a few weeks.

* * *

• (1450)

[*English*]

IMMIGRATION

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Employment and Immigration.

While the minister was out propagandizing and promoting her new immigration strategy program, the reality is that the English language training programs for new immigrants across Canada are being undermined and dismantled. In Manitoba, over 2,100 immigrants presently enrolled in the English language training program are now having those positions put in jeopardy by the change in federal funding and the lay-off of close to 68 teachers.

Rather than this kind of dismantling and restructuring, will the minister meet with her Manitoba colleague, the provincial minister, to restore the existing funding so that the 2,100 immigrants who are presently in language training programs will not have them jeopardized and have them ended at the end of this month.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the money we have put into language training has over time been increased. Actually, we are doing a lot more by way of settlement and teaching of language than was done by the former government, as the hon. member well knows. We will continue that commitment to make as much available as we can under the current economic conditions and by doing it in less expensive ways, moving through NGOs and other organizations which can deliver the service more effectively.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, as the minister well knows, if you do not have a job or if you do not presently speak the language, you do not qualify for those programs. There are thousands of new immigrants who are not eligible for the minister's new programs. They cannot learn the language, therefore, they cannot get a job. If they cannot get a job, they cannot get into the program. It is a total catch-22.

Considering how generous the minister has been in the funding of language programs in other provinces, will she not at least consider restoring the funding in the province of Manitoba so that the people who are presently getting training under those conditions can have their rights restored and can go on and become valuable members of our society?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, this government does provide language training for people who are not destined for the labour force. I would remind him that we are the first government to have done so. In terms of where the dollars go across Canada, they are spent in the regions as they are required. This department and this minister have been stronger on language and settlement programs than, I think it is fair to say, any former government and, certainly, other Liberal ministers.

PEARSON INTERNATIONAL AIRPORT

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Minister of Transport.

While the new Terminal 3 at Pearson airport is operating, it is completely irresponsible and unacceptable for this government to continue to have a veil of secrecy surround the entire deal that this government signed with the private consortium.

I ask the minister, since every Canadian taxpayer has a full legitimate right to know every single detail about the agreement, to inform this House how much of a profit the private consortium is expected to make. What is the share of that proposed profit with the federal government? Will the Canadian taxpayer ever be expected to pick up any shortfall during the duration of this sweet agreement with the private consortium?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, in February 1988, the media and all MPs, I believe, were provided with a press kit. I quote from that press kit: "There is going to be a $2 million payment to Transport Canada on signing the ground phase. A further $28 million was paid on the opening of the terminal. Transport Canada receives, on a sliding scale, 3 to 5 per cent of gross revenue for the first five years, plus $1 million minimum guarantee", and so on.

All that information was made available three years ago. I am surprised it has taken my friend this long to catch up with it.

Mr. Sergio Marchi (York West): Mr. Speaker, the minister continues to stonewall. While he may be able to read a press release, he is having trouble listening to the questions that are being asked on this side of the House.

I return to the minister on a different matter concerning the same agreement. The minister has admitted that the government made a serious error in dealing away the rights of limousines and taxis to the private consortium in the agreement.

Can the minister confirm that the government has negotiated, or is currently negotiating, to buy back that particular clause; and if so, what is the expected price tag to the Canadian taxpayer for this monumental blunder made by this Minister of Transport?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I never at any time admitted that we made a blunder with respect to the taxis. When we got into taxi and limousine service, I made it very clear that I wanted every traveller passing through Pearson International Airport to get the same service at all three terminals. That is what we have decided to do, and we have renegotiated it so that that will occur. I am sure that all travellers going through Terminal 3 especially—the terminal that the Liberals do not like—will enjoy it very much.

* * *

[*Translation*]

SPICER COMMISSION

Mr. Gilles Rocheleau (Hull–Aylmer): Mr. Speaker, my question is directed to the Prime Minister and relates to allegations made by Mr. Normand, editor at *Le Soleil*, regarding the Spicer Commission. They call for immediate action, especially after Mr. Spicer stated yesterday that the Canadian people could not care less about how the Spicer Commission is administered.

Mr. Speaker, how can the Prime Minister remain silent after such allegations were made by his friend, Mr. Normand, and after $25 million were squandered to pay the members of the commission $18,000 each per 30–day period when in fact they work only five or six days? Will the Prime Minister commit before this House to ask Mr. Spicer to resign, to adjourn the proceedings and to institute immediately an inquiry?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to congratulate the hon. member just the same for his concern for this Commission and thus, I imagine, the future of this country.

Regarding the management of the Spicer Commission, Mr. Normand brought out some important finer points. I would caution the hon. member against making somewhat unfounded assertions. In any case, I will remind the House—I was taking for granted that everyone was aware—that commissions such as this one is subject to certain rules, generally Treasury Board regulations on hiring, contracts, rental. They work under what I would call soft supervision because they need to maintain some autonomy. I am sure the hon. member will be bitterly disappointed when he finds out, as the Auditor General will reveal, that everything was done properly after all.

Mr. Gilles Rocheleau (Hull–Aylmer): Mr. Speaker, is the President of the Treasury Board telling this House that the Spicer Commission was given a blank cheque and that there is no concern about what is going on, at a time when an additional load is put on the Canadian people and a crippling blow is sent to the neediest as well as to smokers and when the UI premiums are going up? Is that your vision of national unity?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): That is not what I said at all. If that is what the hon. member heard, he heard wrong. Quite the contrary, I said that there are rules for managing Royal commission enquiries. We do not have a laisser-faire policy. There are rules, but they allow a measure of autonomy. That is not only necessary but desirable, as I think everyone will agree. As for the rest, the rules followed by the Spicer Commission in the adjudication of contracts across the country to respond to its needs are based on Treasury Board standards, as I am sure all this will be confirmed in due course. Tomorrow, when the Estimates (C) are presented, the last ones for the current year, that is 1990–1991, you will see what amounts are involved.

* * *

[*English*]

EQUALITY

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is to the Prime Minister.

Five years ago today, his government responded to the unanimous report of the Special Committee on Equality Rights by promising to take whatever measures are necessary to ensure that sexual orientation is a prohibited ground of discrimination in all areas of federal jurisdiction. The government has failed for five years now to live up to that commitment, including a fresh commitment made by the Minister of Justice at this time last year.

• (1500)

Members of Parliament have received many letters on this matter, and I want to ask the Prime Minister: When the government will live up to that commitment?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I think that the hon. member is aware that my predecessor, the then President of the Treasury Board, came forward with a very valid proposal which we consider to be fair, a proposal which was established in full consultation with Public Service unions. We feel that we stand on good ground.

This was appealed to a board. Therefore I cannot discuss its value. We will wait for the decision of this tribunal and, when it comes, we will see where we are at that time.

* * *

PRIVILEGE

MR. GLEN KEALEY

Mr. Speaker: I have an application on a question of privilege from the hon. member for Port Moody—Coquitlam, of which he has very kindly given me written notice.

I point out to the hon. member who is a skilled advocate that he has indicated that this will be with respect to a certain Mr. Glen Kealey. I want to indicate to the hon. member that I want to know right at the start and very early in his submission just exactly where the question of privilege is.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I almost put it as a supplementary question to the Prime Minister, but I will put it as a question of privilege.

The question of privilege is that I have attempted to communicate as a member of Parliament with Mr. Kealey. He is now behind barriers—

Some hon. members: Oh, oh.

Mr. Waddell: Well, he is in front of the House. Hon. members are laughing, Mr. Speaker. This is a man who has been here for two years alleging the government is corrupt, exercising his civil rights as an ordinary Canadian, and they are all laughing over there. They think it is very funny.

SPEAKER'S RULING

Mr. Speaker: I indicated to the hon. member that I was going to have to be fairly definite with respect to this particular matter.

The hon. member knows that as a consequences of the hostilities there were barriers put up in order to maintain crowd control and security at the immediate doors of the buildings of Parliament.

As I understand it, and from what I have read in the paper, for whatever reason Mr. Kealey got into some difficulties with respect to those barriers.

However, there is nothing that has indicated that Mr. Kealey or anybody else cannot demonstrate on the other side of those barriers and within relatively close proximity to the buildings, but the hon. member has to persuade me—and I am afraid he is not going to be able to—that somehow whatever has happened to Mr. Kealey infringes his privileges or the privileges of other hon. members.

I think that the hon. member's complaint, whatever it may be, does fall short of privilege. The hon. member, of course, can pursue this at Question Period at another time if he wishes.

Mr. Waddell: On a point of order, Mr. Speaker.

Mr. Speaker: No, I am not taking a point of order to extend the point of privilege. I think the hon. member has made his point. I have to indicate to him again that I do not see this as a question of privilege.

I think the hon. member may very well have a complaint, but there must be another way to bring it to the attention of the House.

The hon. member on a point of order.

Mr. Waddell: Of course I respect the Speaker's rulings completely, but I do feel that I never really had a chance to at least offer, perhaps in one or two sentences, what I thought was my point because of some loud heckling—

Mr. Speaker: I am sorry to interrupt the hon. member again. I understand perfectly well what the hon. member's point is. It is not a point of privilege. It may well be a complaint.

I do know what it is, and it was not because of any noise on the other side of the House. It is not a question of privilege. I am not hearing it further.

Routine Proceedings

ROUTINE PROCEEDINGS

[*Translation*]

FARM INCOME PROTECTION ACT

MEASURE TO ENACT

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved for leave to introduce Bill C-98, an Act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for that purpose.

The Acting Speaker (Mr. DeBlois): Shall the minister have leave to introduce the bill?

Some hon. members: Agreed.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

[*English*]

PETITIONS

VOLUNTEER FIREFIGHTERS

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, it is a pleasure to present again a petition. It is one on behalf of the volunteer firemen of Canada. As you may or may not know—and you probably do not if you live in an urban centre—rural areas depend very often on volunteer firemen.

They serve a very useful purpose. They are not paid a lot. In some cases they are not paid at all, but one way is to issue them with an income tax receipt. They get one for $400. That was raised back over 10 years ago from $300 to $400 and has not been raised since.

This petition is an appeal to the government to look at the allowance it has given for tax deduction purposes to volunteer firemen across Canada. They very often serve as the service club in the community and do a lot of useful work.

They are making another appeal to have the government look at that provision in the Income Tax Act, and I would recommend that the government do so.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, Question No. 442 will be answered today.

[*Text*]

RECREATIONAL MARINE HARBOURS

Question No. 442—**Mr. Simmons:**

Since September 1984, for the ridings of (a) Charlevoix (b) Manicouagan, what have been the costs of (i) repairs (ii) improvements (iii) construction of recreational marine harbours?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): The costs for the fiscal years 1984–85, 1985–86, 1986–87, 1987–88, 1988–89, 1989–90 and 1990–91 (projections):

(a) Charlevoix

(i) $102,862

(ii) $1,155,850

(iii) $153,493

(b) Manicouagan

(i)

(ii) $8,946

(iii)

[*English*]

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered.

* * *

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Question No. 434.

I ask that it be printed in *Hansard* as if read.

[*Text*]

ASSISTANCE PROGRAM TO COMMUNITY RADIO STATIONS

*Question No. 434—**Mr. Arseneault:**

Concerning the Secretary of State's Assistance Program to Community Radio Stations (a) are there funds allocated to the operating budget of this program (b) does the government intend to reallocate funds to this budget and, if so, what amount will be earmarked?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): (a) Yes, expenditures under this five-year program will total approximately $5 million by the end of the program. For 1991–1992, the last year of the program, the budget is $500K.

(b) The program expires at the end of 1991–1992. An evaluation of the program will be undertaken in 1991.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the government; and the amendment of Mr. Gray (Windsor West) (p. 17722).

The Acting Speaker (Mr. DeBlois): When the debate was interrupted, the hon. member for Ottawa South had the floor. The hon. member has 17 minutes left, and he may now proceed.

• (1510)

Mr. John Manley (Ottawa South): Mr. Speaker, the Conservatives alone are responsible for failing to control the public debt during seven years of unprecedented economic growth; for having on more than 30 occasions levied regressive taxes on taxpayers who were already

strapped financially; for managing to create a made-in-Canada recession; for practically strangling employment opportunities in the manufacturing sector as a result of their policy of maintaining high interest rates and a high dollar; for introducing the GST, an expensive and very complex tax both for small business and for consumers.

[*English*]

Since 1984, the Conservatives have attempted to convince Canadians that only they could successfully manage the public purse. But, after almost seven years in office, during which Canada has shared with the rest of the western economies almost unprecedented economic growth and despite having resorted to over 30 different tax increases paid largely by middle and lower income Canadians, the Minister of Finance has failed in bringing the deficit under control. In fact he has managed to double the federal debt while at the economic controls.

The minister is always eager to talk about the bad old Liberals who supposedly started the problem. This is typical of a government that never seems able to take responsibility for anything. The deficit? Blame the Liberals. Interest rates? Those are the fault of those crazy consumers and their excessive credit demands. Inflation? That is caused by the Public Service wage increases. National unit? Blame that one on the Leader of the Opposition. Whatever the problem, it is someone else's fault.

When is this government going to grow up and start accepting responsibility for the problems that it has created? Surely, after seven years in office, the government now owns the deficit. The debt was below $200 billion when the Tories were elected in 1984. Soon it will exceed $400 billion. The only thing that this government has finally admitted is that Canada is now in a recession and that the recession was induced by government policy.

The Conservatives' home-made recession is no ordinary downturn in the economy. As a direct result of policies pursued by the government, job producing industries have been driven out of business and in many cases driven right out of the country, never to return. Many of the 288,000 jobs that were lost between April of 1990 and January of this year are lost for good. People in other countries are now employed in jobs that until recently provided a means of livelihood for Canadians.

To make matters worse, the imposition of the costly and administratively complex goods and services tax has taken more money directly out of people's wallets and made life more difficult for small businesses.

This budget should have offered Canadians some reason for optimism, hope and vision.

[*Translation*]

This Budget should have provided a sound basis for getting Canada out of its economic hornets nest and getting Canadians to work. Nowhere in the Budget is there any indication of how this government intends to help Canadians.

[*English*]

In the 1988 election campaign the Prime Minister claimed that to elect the Liberals would put Canada's economic growth in jeopardy. I quote:

> The damage of a Liberal win to economic activity in southern Ontario would be swift, dramatic and powerful.

He also said:

> Earlier in this decade Canadians suffered through the worst recession in post-war history. Do Canadians want to risk a return to that?

By electing a Conservative government Canadians got more than a risk of recession; they got the real thing.

But the most damning thing about this budget is the lack of hope for the million and a half jobless who, with their families, are the real victims of this recession.

Despite predictions of economic recovery in the second half of this year and strong growth in 1992, the jobless rate is not going to improve by the government's own predictions. There is nothing in the budget about job creation. There is only a cut of $100 million from the Canadian Jobs Strategy, and there is the implicit acceptance of an unemployment rate of almost 10 per cent.

When he was in opposition, the Minister of Finance understood the importance of keeping people at work. For example, in 1982 he said:

> The government must begin to realize that it is individual people who are being hurt. It is not the political game that we are playing here in the House of Commons that is important; we must deal with the real

> world. We cannot stay here in an ivory tower in Ottawa; we must deal with individual Canadians who are losing their jobs and businesses.

Further he said:

> —when people are struggling for survival, when people fear that they will lose their jobs or that their children cannot find that first job, there is not much trust and generosity. Rhetoric will not produce the harmony we all want, but a healthy economy will.

If only the Minister of Finance still believed those same principles. He has produced a budget of no jobs, a budget of no hope, and a budget of no vision.

The government in the past has talked a lot about creating the conditions for economic growth. Even in this budget, the indication is that all that needs to be done is to lower inflation and bring down the deficit and economic growth will follow. But these measures alone will not bring economic growth and prosperity.

Without a strong sense of national consensus and the force of national will, Canada's future prosperity is not ensured. The failure of the Mulroney government to promote national unity is closely linked to the severity of the problems confronting us on the economic front.

At a time when national consensus has never been more essential and possibly never harder to achieve, the government's cuts to transfer payments and Canada Assistance Plan payments will only further aggravate stresses on Canadian unity.

The Allaire report in Quebec includes an attack on the federal imposition of national standards, while simultaneously withdrawing federal financial support. Because such criticism is not unfounded, the erosion of national standards and the corresponding sense of nationhood may well result.

[*Translation*]

The Tories heavily penalized the provinces by reducing transfer payments, and they deceived Canadians. However, Canadians are well aware there is only one taxpayer: the Canadian taxpayer, who pays all taxes, whether they are federal, provincial or municipal.

[*English*]

Shifting the deficit from the federal level to the provincial level does nothing for the over-all economic well-being of the nation. If anything, it is the steady withdrawal of the national government from so many aspects of Canadian life that is causing Canadians in Quebec and other regions to begin to question whether Canada is really worth the struggle any more.

Then there is the attack on labour in general and the government's own employees in particular. The budget proposal to impose a freeze on Public Service wage budgets typifies the approach of this cynical government to try to pin the blame for inflation on a group of Canadians which the government thinks will garner little public sympathy across Canada; this after boasting that the federal government had been keeping Public Service wages below inflation in past years.

According to Labour Canada, federal government workers' wage settlements were 5.3 per cent in 1990 compared to 5.9 per cent in the private sector and 5.6 per cent in other public sectors. Where is the flexibility that the Minister of Finance himself demanded back in 1982 when he said that there should be different treatment for low income employees and those who merit some increased remuneration because of good work.

• (1520)

This attack on the Public Service will result, I predict, in a further deterioration of service to Canadians who rely on federal programs and services. The delivery of income supplements, the provision of air traffic control services, the processing of immigration and refugee claims and so and so on. Canadians can expect that these services will continue to deteriorate as the government induces the best of its employees to leave the Public Service and increases the work load on those that remain.

It has been said that in a democracy the people get the government they deserve. I do not believe that Canadians are getting what they deserve from this government. Canadians deserve from their government a financial plan that demonstrates a commitment to invest in our most important resource; our people. This entails not just support for post-secondary education but for continuing training and retraining for adult workers, ensuring that Canada's workforce is versatile enough to face the challenges of globalization.

This would address our growing people deficit. Instead of living up to his self-proclaimed title, "the education

Prime Minister", this Prime Minister has reduced transfers to the provinces in support of post-secondary education four times since 1984.

A responsible government would have demonstrated a strategy to deal with the fact that at least 90,000 of 180,000 manufacturing jobs lost during this recession are permanently removed from the Canadian economy according to Laurent Thibault, president of the Canadian Manufacturers' Association. Such a strategy would address our widening science and technology deficit.

A wise government would have shown Canadians that it understood the relationship between the quality of a nation's transportation and communication infrastructure and the share of the world's wealth it will possess. A caring government would have offered hope to its unemployed that they will get back to work. Instead the Conservative approach to a job strategy consists of a $100 million cut from the Canadian Jobs Strategy.

[*Translation*]

What does the Budget have to offer Canadians who lost their jobs because government policies forced their employers to move elsewhere? What does this Budget have to say about the government's role in ensuring that Canadians are competitive on world markets? What does this Budget and its predecessors have to say about the value this government sets on education, research, development, training and development? What message does this government have for entrepreneurs who have the knowhow to increase productivity but lack the capital?

[*English*]

Perhaps the most succinct and damaging critique of the budget of all is that contained in the budget analysis provided by the Toronto Dominion Bank. They say: "The main problem of this budget is that it addresses none of Canada's major economic problems".

Very simply in conclusion, this is a budget of no jobs, no hope, no vision, but more pain. Truly the emperor has no clothes.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I listened as usual with great interest to my colleague's speech.

In listening to the budget debate of members of the opposition from both parties—not only from the Liberals but from the New Democratic Party as well—I cannot help but hear a message loud and clear that the government should be spending money and spending more money and spending more money. Not once in any of the speeches do I hear that the government should live within its means.

The hon. member said there is no message in the budget. There is one very clear message in the budget; if we as a country are going to survive, if we as a country are going to continue to provide the programs that are so necessary and that the public wants, then somewhere along the line a government has to take cognizance of the expenditures and the income and the amount of money being borrowed.

Liberal members of Parliament talk a great game. They have picked programs one after another that should be supported with more money. The hon. member talks about cutting here and cutting there. This government has done that, has made it very clear that we are transferring one-third of the income of the federal government to the provinces, and we have a financial problem, they are part of that problem and they have to be part of the solution.

I want to ask the hon. member a very direct question, because he is one of the financial critics of the Liberal Party. We know what they are against. We understand fully that they want money thrown at this, that or the other thing. I have a couple of specific questions. The first is, are you concerned about the deficit of this country? Second, what would the Liberals—if they were ever elected—do about the deficit and how would they cut that deficit? I would like to hear some positive suggestions from the Liberals which, to this time in this debate, have not been forthcoming.

Mr. Manley: Mr. Speaker, I always enjoy these exchanges with the Minister of State for Privatization. I must say that I am pleased that there are ministers here for this debate today. It is regrettable that when the finance critic for the opposition spoke, he spoke to a Chamber devoid of ministers.

The question is an important one and I acknowledge that these are issues which need to be addressed by parties on all sides of the House. I take exception to the characterization, of course, that the minister has put both on my remarks and on the remarks of some of my colleagues because clearly, if he had been listening he

would have understood my concern about the deficit and the debt.

He is well aware of what the deficit was in 1984 when he was elected and how the present Minister of Finance managed to run it up before the end of the first fiscal year in which he was in office so as to establish an extremely high base from which to then describe his later reductions. He is also aware that after seven years of growth in the Canadian economy, the annual deficit continues to be over $30 billion a year. He is aware that the Minister of Finance this weekend, in an interview with Southam News, acknowledged that he had made the wrong policy choice in 1987 when he introduced tax reductions, thereby contributing to the deficit, instead of being honest with the people of Canada and facing the deficit before the election. So he has managed to build it up into a bigger problem than it should be.

I would suggest to the minister, if he wants to seriously make some progress on this, two things. Before he looks too hard and long at what programs to cut, he needs to look at how he is building for the future. What kind of country are we going to have in the future and how are we going to meet the challenges of the future? Any good businessman knows that if he is going to meet the challenges to come sometimes he has to borrow to invest.

What this government does not make a distinction about is the difference between spending and investing. In cutting investing, they are really cutting its lifeline for the future. When it fails to meet the spending requirements for education, for infrastructure, for science and technology, it is really hurting our ability in the years to come to meet the requirements that Canada will have in order to compete in the global economy.

All of that being said, I wonder why it is that this government seems to have money to move operations of government without gaining any particular efficiency. In this budget it has decided to throw millions of dollars at moving the National Energy Board. Now, there may be good reasons for that on an operational level, but we do not know of any particular reason why at a time of recession it needs to throw that money in. We know they have almost $250 million to build a space agency in St. Hubert, when the same functions are being carried on quite well without that expenditure being made. They do not seem to be willing to cut back.

• (1530)

We know that they have ministers of state with limousines that sat outside here on budget night, burning gasoline. I suspect that the minister who posed the question was not included in the number of people who let his limousine sit out there idling, but others did. It is an outrage and it is a disgrace. Why not cut back the number of ministers of state? There is a suggestion for you. Why not look at the tax expenditure account and see what tax expenditures can either be reduced or, perhaps, postponed. Maybe that is too innovative an approach for the government.

Why does the government insist on a cumbersome and lengthy refugee review process to actually effect the elimination of very few false refugees from Canada? It spends close to $100 million a year in order to eliminate a couple of hundred people from Canada. Why is the government not looking at any of these suggestions?

Why is it that the level of corporate profits over the last number of years has remained at roughly the same percentage of gross domestic profit? In spite of that, why is it the contribution of corporate income tax to the government revenues has gone down? Why is it that the percentage of income in the upper income category, while remaining the same, has seen a lower burden of income tax, looked at as a percentage of GDP on one side and as government revenue on the other?

I cannot answer these questions for the government, perhaps they can.

Mr. McDermid: Well, the answer is to cut about $10 million of expenditures, as he is suggesting in his speech, for a $30 billion deficit. That was his suggestion. Also he suggests we increase the deficit because he said we should borrow more. I heard him say that. We should borrow more. We should invest in the future.

The Liberals tried that. They borrowed $16 billion in 1984 just for programs, not to service the debt or anything else, just for programs. This government now has a surplus in program spending. We collect more than we spend on programs. We have a huge deficit to service.

The hon. member talks about the deficit increasing. That is right. But all from interest payable on the huge debt that we inherited. I remember what it was when we took over. It was $200 billion. I remember it very clearly.

I want to understand the hon. member perfectly. He wants to borrow more at this particular time and increase the deficit. That is exactly what he said.

I want to ask him one other question. His leader, who I am pleased to learn is coming along well and is feeling much better and will be back with us soon, has been reported as saying he would cut the universality in social programs to save money. I wonder if that, in fact, is Liberal policy? Is it a suggestion from the Liberal Party that the new leader of the party made recently? It was reported that he is prepared to change the universality of those programs in order to cut the deficit?

Mr. Manley: Mr. Speaker, first of all let me say that I do not think the minister is adding up my numbers very accurately, if he has only come to the number he referred to. I think I suggested to him that he could even save almost $100 million on the refugee program alone, if he were to redirect the intention of the government on that.

The point is, in listening to this government, if their financial methods were applied in private business, Robert Campeau would still be in business today, because his only problem was that he could not cover his debt charges. But these people have been in office for seven years. They have been in office longer than it took to defeat Adolf Hitler in World War II, and they are still coming out crying about the deficit after all the time they have had to confront it and fight it.

I think it is time for them to surrender and let somebody else take on the battle.

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Mr. Speaker, I am pleased to take part in this debate because I want to very clearly state my position on Canada's economic future.

[*Translation*]

I am pleased to take part in this budget debate, Mr. Speaker, because this is a rather historic occasion. It is a time for elected officials to stand before their constituents, and the country, and declare where they stand on Canada's economic future.

[*English*]

I stand unequivocally behind the plan for economic recovery delivered in the House of Commons last week by my colleague the Minister of Finance. It is a blueprint for renewed prosperity and economic growth.

It recognizes that Canada must continue to sit at the table with other industrialized nations as an equal. Today, international capital travels along a fibre-optic cable seeking the best country in which to invest. The budget continues to lay the groundwork commenced in 1984 by the same Minister of Finance for making Canada an envied investment location in the international marketplace.

How exactly are these noble goals to be achieved? One, reducing the annual deficit and the national debt, two, eliminating our need to borrow on foreign markets, three, reducing inflation, and four, reducing interest rates are the keys to creating an economic environment where Canadians can prosper.

This budget, this plan for economic recovery, will do all of those things. It establishes targets for inflation. It will cast in the laws of the land limits to the government expenditure growth. It will create the Debt Serving and Reduction Fund, a tangible example to all Canadians that we are serious when we say that this deficit will be eliminated. If the government of Canada ignores the deficit, disregards the debt, and throws a bucketful of money at our problems in an effort to buy our way out of this recession, we will all be sorry.

Living beyond our means is a recipe for disaster. It will return us to an era called by a well-respected journalist "the nightmare years", the years between 1975 and 1984, when a profligate, fat and wasteful federal government spent its way into the mess Canadians currently endure. No longer can Canadians wilfully spend dollars they have not earned and expect our children and our grandchildren to pay it back.

Of crucial importance is the decision to place government finances on the road to a balanced budget. The operations of government will be restrained. The Canadian people must know that we are doing our share. We have the responsibility of leading Canada; we therefore

must lead by example. In fact, a recent poll suggested that 70 per cent of Canadians recognize and support the need to reduce government spending and to reduce the deficit.

And now a bit about my own portfolio. I see that we have one veteran in the House today. My portfolio cares for a very special group of men and women: Canada's war veterans. One in three males over the age of 65 in Canada is a veteran. There are more than 38,000 female veterans. They constitute a sizeable and influential component of this country. Altogether, Canada still has almost 600,000 veterans of World Wars I and II and Korea. They have done their part for Canada, and we are now returning their favour. So, I say to all veterans today that your valuable programs are untouched by this budget. Our level of commitment to you is undiminished. Canada will continue to have the most generous and compassionate veterans' programs and benefits of any country in the world. Do not let the critics make you think otherwise.

In my portfolio, we have viewed the fiscal constraint as an opportunity, a management challenge. It provides an opportunity to improve our efficiency, to re-evaluate the way we do business, and to identify ways that we can enhance our service. In Veterans Affairs Canada we will without a doubt rise to any challenge that confronts us.

• (1540)

Some hon. members may have read a recent report published by the C. D. Howe Institute in Toronto that implied our department was costly and administratively inefficient. The media picked up the story and the word spread. It was a message of course in direct disagreement with the corporate culture at Veterans Affairs Canada. That report was wrong.

I cannot and will not allow such statements to circulate without challenging them, which I did. Unchallenged, these claims do a disservice to our hard working staff and are unfair to our valued clients. The President of the C. D. Howe Institute personally apologized to me and to the department. Recently in the *Vancouver Sun* the author admitted she was wrong.

For the record, administrative costs at the Department of Veterans Affairs are less than 10 per cent of the total cost. Ninety-one point seven per cent of our budget will be delivered in the form of economic support and health care directly to our veterans. We are surely one of the leanest operations in government.

The plan for economic recovery as laid out in the 1991 federal budget establishes the framework for government operations for years to come. It is the new reality and we are ready for it.

In addition to my portfolio responsibilities, I continue to have a strong and a passionate commitment to Atlantic Canada's regional development. For my home province of New Brunswick, the plan for economic recovery announced last week will be an important economic development tool, a stepping stone to renewed economic prosperity and growth.

I prefer to think that the Minister of Finance presented not a budget to Canadians, but a blueprint for the future.

[*Translation*]

I am committed to the belief that the best regional development tool is a lower deficit, a lower national debt, lower inflation and lower interest rates. A truly competitive national economy demands these things.

[*English*]

Lower deficit, lower interest, lower debt, lower inflation, lower interest rates, those are the items that we need for regional economic development in Canada. A truly competitive national economy creates opportunities, economic and otherwise, for all Canadians living in all regions in this country.

This new era of fiscal responsibility which we started in 1984 has an especially pronounced impact upon our relationship with the provinces. Because this debt is a national problem, it will demand national solutions. All levels of government must learn to live within their means and the tide of rising expectations of what governments at all levels are capable of doing must be tempered.

Governments must be imaginative and ingenious in how they use the resources that they do have. Just as the average Canadian must pay the bills, so must all levels of government.

The 1991 plan for economic recovery restrains the growth of transfers to the provinces. It limits this growth to an average of 3.7 per cent per year. Meanwhile federal government program spending will be limited to just 3 per cent annual growth. So you see, Mr. Speaker, we are

not asking from the provinces any more than what we ask of ourselves.

In New Brunswick, my home province, this economic blueprint is most encouraging. There are no caps on transfers to my province from the Canada Assistance Plan. There are no caps on the equalization payments to the province of New Brunswick. The per capita cap in the Established Programs Financing payments to provinces was announced in last year's budget and will continue for a further three years.

Since transfer payments constitute 20 per cent of all federal program spending, it is reasonable that they too must reflect prudent constraint. Let me put this in perspective. Federal transfers to New Brunswick represent 39 per cent of that province's revenues. Transfers are expected to increase at a yearly rate of more than 4 per cent. The CAP and EPF, Established Programs Financing transfers will account for only .2 per cent, that is two-tenths of one per cent, of the provincial revenues in 1992-93 in my province of New Brunswick.

The impact upon the provinces is negligible. Any protests to the contrary are being deceitful. Any complaints that the province will be unable to afford quality health care and education is untrue. Worse, it is fearmongering. It is taking advantage of the frailties and the uncertainties of the poorest and least educated citizens.

I believe that the premier of New Brunswick is in full support of our plan for economic renewal. In a recent speech delivered in Toronto, Premier McKenna stated:

> —borrowing money on current account is a fool's game. The leader of today enjoys the popularity of dispensing bought favours. The leader of tomorrow must devote all of his or her energy and ambition to paying the bills.

Premier McKenna goes on to say:

> —the leaders of the 60s and 70s have placed a first mortgage on the future of Canada. The leaders of the 80s and 90s are placing a second mortgage on the same asset. There is no equity left. We must once and for all put an end to the suffocating debt-load we are placing on the backs of our children.

It is gratifying to see that a Liberal premier is not enamoured with the notion that government spending cures all ills. Premier McKenna is not the only Liberal premier who shares these views.

Governments at all levels must treat their financial dealings in exactly the same manner as the average Canadian citizen must do. Like any householder, we should only borrow for big ticket items like our homes or major appliances, but on a day-to-day basis we must pay as we go.

The major difficulty the Canadian government faces today is that we must pay 36 cents on every dollar that we take in just to pay the interest on money previous governments borrowed in the past. For the provinces that figure is 11 cents on the dollar. We are strangling ourselves with debt and if we continue bad financial management, governments at all levels, like ordinary citizens, will face bankruptcy.

Many Canadians fail to comprehend the serious situation we are in today because of bad spending practices in previous times. Well, Canada has a huge collective debt burden totalling almost $400 billion. As most people find difficulty in comprehending such enormous sums, let me clarify what this means in simpler terms.

It means that every man, woman and child in Canada owes as part of the federal debt about $15,000. If we add on the collective debts of all the provincial and the municipal governments, then each and every Canadian owes about $20,000 for past profligate spending by previous governments at all levels.

Truly, we have spent money we have not earned and this practice cannot continue. To do so threatens the economic and financial future of those we love so dearly, our families and, indeed, their families.

Ordinary Canadians have a difficult time comprehending what a billion dollars represents, let alone our cumulative debt of $400 billion. What we all do know is that it must be paid back just as ordinary Canadians have to pay back money they borrowed in the past.

Let me explain the enormity of the problem that 26 million Canadians face in paying off our $400 billion debt. If Canada had set aside each and every day $500,000 since the birth of Christ, we would still not have enough money to pay off our public debt.

This budget recognizes the horrendous debt problem Canada faces if it continues down the road to uncontrolled spending—an annual deficit reduction.

Opposition members and others suggest we should have more make-work projects and spend even more money we have not earned. They would have us spend our way out of the recession. Well, previous governments tried this and it simply did not work. It only compounds our deficit and debt problems by adding more debts which we will expect our children to pay.

• (1550)

I fully support the 1991 federal budget which will inevitably control inflation and subsequently bring what this country really needs—lower interest rates. The budget will set out clear, achievable inflation targets, reaching a low of 2 per cent by the mid-1990s. The budget will put government finances firmly on a course to a balanced budget. The budget will severely restrain the operations of our own government, as a model to be followed by provincial and municipal governments. The very best thing we can do as Canadians is to set this country on the road to economic and fiscal recovery. A strong and competitive economy means prosperity, and prosperity in Canada means wealth creation and new jobs for our people.

To fail to set Canada along this path to prosperity is to fail in our responsibilities. I have no intention of abrogating my responsibilities as a parliamentarian, and therefore I will be supporting this 1991 economic recovery plan.

Mr. George Proud (Hillsborough): Mr. Speaker, I listened very intently to the hon. minister's reply to the speech on the budget. I listened as he talked about the need for us to pay our bills and to reduce the debt. I cannot say that I agree with him totally on everything he said; there are some concerns I do have in listening to him speak about one of the particular areas within the area he is responsible for.

I know and hope that the veterans of this country will not bear any burden as a result of the steps taken and those going to be taken by this budget.

I have had much correspondence in the last number of months from veterans' groups and veterans individually about Veterans Affairs Canada. One question they asked was, what is the future of it? I know the minister has spoken on the budget debate and I would like to put that question to him.

The future of the Department of Veterans Affairs has caused great concern in some areas. Rumours have been circulating, of course, for a number of years. This is nothing new.

I would like to pose the same question in a different manner than I did the other afternoon, and this is regarding the veterans of the just-concluded war in the Persian Gulf, as to their benefits. There was one area of concern to me and that is the availability of housing for these veterans. I know that veterans of other wars were able to qualify for housing. It was a great way for these people to obtain houses.

I wonder if the minister could reply as to whether the government is looking into this in any way, making these people who have served in the gulf able to qualify for these houses. I know the Veterans Land Act has been wound down in the last year, but I wonder if he could inform me and this House today, if there is a possibility that these people will be eligible and, therefore, would be able to say that, yes, these people are going to receive the same benefits as all other veterans of wars.

Mr. Merrithew: In response to the hon. member for Hillsborough, he asked two questions. I would like to address the first one; what does the future hold for Veterans Affairs Canada?

Naturally, it has been 45 years or better since the end of the second war and about 40 years or 35 years since the end of the Korean War. One might think that as our veterans pass on, and the hon. member knows that the average age is 70 years of age, that all of a sudden the work of the department would be decreasing. Quite the contrary is true.

As veterans get older the kinds of problems, the aches and pains and the hardships they endured during those times in fighting for our country have now come home to roost, if you will, and very often they are in more need, in fact they are in significantly more need, as they grow older. They need more health care. They need more home care.

Let me put that in perspective. During the month of January, and the hon. member for Hillsborough will appreciate this, my department and the Canadian Pension Commission in Charlottetown handled 2,200 cases of first decisions. That set a record in history for the number of first decisions made by the Canadian Pension Commission. I think it is an indication that while the numbers may be declining, and that is true, the problems

and the health care problems that these veterans have are increasing.

Naturally, I cannot comment on the future of the department. The Prime Minister, the agency of government, the machinery of government will look at those kinds of things. Certainly I do not feel that my job, and I am sure my department does not feel that our job, is getting any easier. In fact, with the kind of new programs that we have brought in, particularly the Veterans Independence Program, and TAPS, and many of the other programs our jobs are getting even harder.

On the second point, I guess we can thank God that the war has finished in the gulf—we hope it has—and that Canadians can return home. We can take some comfort in the fact that Canada suffered no casualties in that conflict, despite the fact that we had 2,500 people there, some of whom were at the sharp point.

Let us first analyse the nature of the people who are serving. This is not like the Second World War where we had 1.1 million Canadians, basically civilians. It was a volunteer army who came out of the factories and out of the fields in Canada and formed the Canadian active service force. These people were going immediately at the cessation of war in 1945 right back into civilian life, unlike the service people who are fighting in the gulf today. They are professional servicemen and servicewomen. They will go directly back into the service and will, therefore, be assured of all the benefits and services that they get from Canada's armed forces which are very, very significant and indeed, much better than what was given to them in the Second World War and to veterans subsequently.

The hon. member asked particularly if we are going to provide the benefits. Yes, we are. We are going to provide significantly all of the benefits. The two big ones that count the most of, course, are disability pensions and treatment services for those people who might have had a disability incurred while serving in a special duty area like the gulf.

The housing aspect is quite different now than after the Second World War when previous governments wanted to do something very significant for those veterans who gave up such a big piece of their life to fight in World War II. There was a definite program to set up more veterans housing.

This time these people are coming back to their old service jobs. Of course, there will not be the need to set up special programs, but that does not mean that we do not have veterans housing. We have a lot of veterans' housing. I think in my home city of Saint John, New Brunswick, that we have the largest number of veterans' housing units in Canada. Those will continue. There are new ones being opened at various times. We just opened one in Winnipeg, one in British Columbia and, of course, there are a number of Legions and other non-profit groups that want to do things for our veterans. I think we are doing fairly well by that.

The need is not quite there like it was when our vets returned home from World War II.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, this is a very important time in Parliament because it is one of those debates in which the people of Canada have an opportunity to be heard.

• (1600)

Perhaps one of the most important responsibilities of any member of Parliament is to use this budget debate as the occasion when he can express the hopes, fears, concerns, anxieties and attitudes of his own constituents. The one thing the budget does is crystallize those views and gives people a sense of what the blueprint for their lives will be for the future.

Over the last four or five days, in talking to people in my riding, this is a time when their voices have a certain common and disturbing ring to them. There is not confidence. There is not optimism. There is not a sense of hope. There is real despair.

The thing I find quite disappointing—in fact, it goes beyond disappointment; it becomes almost a question of amazement—is that a government brings in a budget and during the entire presentation and debate does not express the slightest iota of concern about the tens of thousands of people who have lost their jobs in the last four, five, six weeks. I do not know if somehow or other they live in constituencies where people are not losing jobs, but I do not hear any Conservative members talking about that problem.

The Minister of Finance, in his own paper, his own presentation, talks about a million and a half Canadians. And whenever he is questioned about that enormous

figure, he says: "Well, it is not quite as bad as it was in 1981–82". But what he forgets to say is that the difference is that we are now dealing with a situation made specifically for Canada and not shared by other countries. Certainly, in 1981–82 we had a recession, but it was something that the entire world had to face. This is our own unique invention.

During the weekend in my constituency, people could not believe that with the recession now going apace, with every single statistical indicator showing a downturn, the only comfort is that the Minister of Finance says that it may get better a year from now, but there is nothing to offer any hope. Talk to the small business people, Mr. Speaker, as I am sure you have. What do they tell you? Consumer spending is down 30 per cent, 40 per cent, 50 per cent. There is no question that there has been an enormous drop in consumer confidence and reaction.

In my riding there are stores that have been stable, well running businesses for years. They now have to go to their banks for new lines of credit and they are not sure that they will make it to the end of the year. Again, the budget is silent on this issue. There is not much in the way of sympathy, response or any kind of compassion for the undermining of that backbone of our economy, particularly when you consider that it has been self–induced. We have taken our own arsenic. As the shopkeepers in my riding tell me very clearly, it is a culmination of the recession but also the GST. We know that GST is pushing the inflation rate up; we have already seen the numbers.

But what is happening is that they are also beginning to see a serious unwillingness of people to buy. The psychology of it has become a major deterrent to engaging in the normal marketplace transactions. People are just staying at home or they are going across the border. They are heading south across the border to get the deals and sales, and all the other kinds of opportunities. I forget what the figures are, but I think it is about a 40 per cent increase of purchases in the United States in the last year or so. Again, the budget was silent on that issue: no care or concern.

In the last weeks my mailbox has been filled with letters from senior citizens who all of a sudden are realizing that the combination of Bill C–69, which started the capping of our social security program, is now reaching a point where we are looking at a full scale federal pullout within a matter of five, six, seven years, depending on which province one is in. It is unacceptable for the Minister of Finance and the Minister of National Health and Welfare, each day in this House, to try to camouflage and put up a smoke screen about what the meaning of that is.

We can talk about the transfer of tax points to the provinces that took place under the original funding of the EPF, but there was never any intention under that program to eliminate federal participation. As a result, the ability to have any kind of national system of education and health care now stands in jeopardy.

The Minister of Finance said today that he was going to put $28 and some odd billion in the next five years. Add that up. Look at the figures. In 1997, no more transfers at all to Ontario and Quebec, and the rest of the provinces by the year 2000. That means any ability to continue with national standards will have to be brought about, as the minister says, by special legislation which I am sure will be challenged constitutionally and probably thrown out of the courts. They know that. They are fully aware of that.

An hon. member: I hope so.

Mr. Axworthy (Winnipeg South Centre): I hope so. That is probably part of the game plan. That is part of the large devolutionist theory that we have been receiving from this government for so long.

We are not talking now about dollars and cents, we are talking about people, understanding that the very fundamental institutions on which they depended are now being dismantled.

Mr. Speaker, did you hear anywhere in the speech from the Minister of Finance or the Minister of National Health and Welfare, acknowledging that this year there are over one million children living in poverty in Canada? And that we have one of the worst records of the western industrial world? I think that represents about 60 per cent of the cohort of children, compared to Norway or Sweden where it is about 5 per cent.

I just heard the Minister of Veterans Affairs say: "Hey, do not bother me with those kinds of spending programs". It is not a spending program we are talking about. We are talking about children. Close to 200,000

children go to food banks. We are talking about single parent families who are substantially dropping below the poverty line and cannot afford to maintain their rent or their housing any more.

The problem is that I do not think the Conservative government understands the basic and essential importance of a social contract in this country. We hear a lot about free enterprise and the market system from Conservative caucus members. But what they have never been quite able to understand is that the market system only works when there is an underlying base of social programs to give people some sense of security. There is a social contract in this country which we spent many years building up that underlies the operation and the entire economic system. If you begin to undermine the social contract, then you are going to undermine the market system along with it. They have never been able, in their ideology to understand that there is a clear, unmistakable integration and connection between maintaining a sense of security and stability amongst working people, seniors and young people. To allow them to participate in the market and to say: "I will take my chances and I will work around". Our whole attitude is, we turn it totally over to the private market system and then undermine the foundations upon which it is built.

That is part of the tragedy we face.

I would like to read from one of Canada's more insightful analysts, Michael Ignatieff, a brilliant writer who has looked at this question and the connection between them. He says that the whole basis, the establishment of an elaborate system of publicly supported social services, social integration and collective responsibility, becomes the hallmark of citizenship. He says that the whole idea of a social welfare state was intended to undergird formal legal rights with entitlements to social and economic security so that citizenship could become a real, as opposed to purely formal experience. Now we are seeing that basic social contract being ejected, being forgotten, in fact, deliberately being taken apart.

• (1610)

I suggest as a proposition, that any opportunity we have as a country to compete abroad, to deal with our problems, our interests on a national level, the kinds of stresses and strains we are facing, the lack of productivity, the increasing divergences between views from region to region, a large, contributing cause in the last six years has been the undermining of that social contract. That withering away of those rights of citizenship, the abandonment of the idea that individual citizens regardless of their money or their income or their place, could depend upon a certain basis of security.

If you take it away from them, of course they are going to react by drawing inwards, losing commitments, not being able to identify with the nation state called Canada. And it is hollow rhetoric for the Prime Minister to get up as he did a few weeks ago in his speech and say: "I am going to stand up for Canada". When, in fact, he and his government are clearly, deliberately, self–consciously taking apart the very fundamental ingredients that made this country work for many years.

Rather than building upon it, rather than recognizing that with free trade, with global competition and all the rest of it, you have to improve the social contract to give people a greater sense of security. In fact, we are taking it away.

Look what the budget does beyond that. We are now talking about further eliminations. The attack on the Public Service. I could see the cabinet sitting back and consulting with the great poll and saying oh, yes, public servants are not popular, let us go after them. Let us in effect eliminate collective bargaining in the Public Service. Let us dictate now what they will get and we will be the arbiters of what is fair or just and equal, to take away the whole notion of collective bargaining. And they say yes, people will see the screens and the angry faces and not pay attention. Again in my riding I have school teachers and nurses and social workers and air traffic controllers, public servants in Veterans Affairs. They are hard working, serious minded, contributing citizens of our country and they just had a right taken away, a fundamental right that is available to virtually everybody else. And it is done with impunity, indifference, no apology, not even saying we will try to find some way to make it fair. It just disappears. It is done with the kind of cynicism that they know. As one incumbent here says, almost to provoke a public strike if they can, as a basis of trying to improve popularity.

So once again we have a disappearance of one of those ingredients that made our society more civil, gave people a greater sense of commitment, a greater sense that they could be treated fairly.

Public servants are not the culprits in this country, they are not responsible for the problems we get into. And yet at the same time that they are pointing their fingers and saying there is only going to be a 3 per cent cap and if you are going to go up to the 3 per cent cap you have to fire people to do it, this government has the gall to spend $179 million on a refugee board populated entirely with appointments of the government, most of them former candidates or something else, at $80,000 a year and they call that fairness.

When we left government, we spent $5 million on the refugee board. Five million, not $200 million and the same problems are being addressed and they had a report from their own committee in which their own members of the Commons addressed a solution that would have made it much easier, but no they had to do it their own way and their own way now costs taxpayers $179 million. I do not see that being cut back. I do not see that being restricted. I do not see the minister of employment saying I made one helluva mistake, I am going to go back to the drawing boards because all I am doing is paying for a bunch of Tory friends to get $80,000 a year plus expenses and may be more. And yet the refugee rolls grow larger and larger, the problem gets worse and worse and taxpayers spend more and more. I do not see that being hauled out as a sign of waste or duplication or inconsistency.

Oh, no. That is fair game. No one talks about that. I have not heard a Conservative member of Parliament yet mention that travesty. Why? Maybe they are hoping that sometime in the future they will get the same kind of perk. Instead, we zero in on the public servants.

Let me also, if I might, talk for a moment about the deficit. Everybody sort of says that the reason we are doing all this is that we have to deal with the deficit. I agree. The deficit is a serious issue, as much a serious issue for Liberals as it is for Tories. But the question is how do you respond to it.

Is it written somewhere in natural law that the only way you deal with a deficit is to cut back on social programs? Is it written that the only way to sort of bring the government fiscal framework into line is to cap programs for children, or education, or health care, or whatever?

Mr. Milliken: It is in the blue book.

Mr. Axworthy (Winnipeg South Centre): It may be in that little blue book that is carried around, but I will tell you. I do not hear anybody talking about the excesses of a capital gains system which gives vast amounts of money in write-offs to very, very wealthy Canadians. I do not hear them talking about the tax expenditures.

Even the Business Council on National Issues, perhaps the most devoted of Conservative friends in the country, has said openly: "Look, business gets hard to make grants and subsidies. We are giving away too much money. Cut it out".

I have seen nothing in this budget to do that, not one line of real change that is going on. But if we are talking about $6 billion or $7 billion of loopholes, of tax expenditures, surely a Minister of Finance who had some kind of imagination would have found that as an area in which to cut back, not the area of scarce social resources.

The fact of the matter is that when we look at the agenda index of countries we are in the lower percentile of industrial countries in our social spending, not in the upper percentile. But where we are sort of right up at the top is the kind of giveaways we offer. How many sort of big projects? I would say right now stop them, get rid of them, we do not need them any more. If we are looking for some answers let us look at things like real public investment in education, research, infrastructure in this country.

We do not need those kinds of major handouts any longer. I do not think they work any more. I fully expected, especially when many of the large corporate businesses are saying it is time to get rid of them, that they would have done so.

Finally, in budget terms, I want to spend just a moment talking about the fundamental issue that we have all been concerned about in this House, war and peace. Mr. Pearson once said that we prepare for war like bloated giants, and for peace like retarded pygmies. He must have had this budget in mind when he said it because we are quite prepared to substantially increase the cost of paying for a war, but when you get down to the question of whether we are prepared to pay for the damage of the war, the reconstruction in the Middle East, the environmental problems, what do we do? We cut back further on our ODA programs, make no offer of

any new assistance. We know what the problems are. We know that there are billions of dollars of reconstruction. We know that the Third World countries have had to pay excessive costs. I spoke to one ambassador of an African country just last week, $800 million have been taken out of their budget simply by the increase in oil prices.

But what does Canada do with all its rhetoric about how we are going to be a new international player, how we are going to build the peace? They cut back their commitments.

I can tell you, Mr. Speaker, you do not have peace if you do not have social and economic justice. You do not get social and economic justice when the disparity between rich and poor grows wider and wider. You are only going to eliminate that disparity when the industrial countries start making some serious commitments in how they overcome the gaps.

But there is nothing in this budget to show it. In fact it contradicts everything the minister of external affairs or the Prime Minister have said about their hopes for the future. The Minister of Finance has the real message of what this hope is, cutbacks, restraint, limitation, no commitments.

We are prepared to lecture everybody else about what they should do but when it comes down to really helping in a very concrete real way there is nothing on the table.

Mr. Speaker, I say to you let us look at the budget and the message it has. I thank you for your time and indulgence and I say to you that it was a time that Canadians were looking for some creative, imaginative, sympathetic, responsiveness to both the problems internally and domestically and all they got was the same old Michael Wilson.

• (1620)

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I was listening with a great deal of interest to my colleague, the hon. member for Winnipeg South Centre, talking about how the government might be able to do a better job in terms of its budgetary exercises. He mentioned a lot of what he called excesses in terms of government boards, commissions and so on.

I have a couple of questions. First of all though, I might comment that I do notice that the hon. member takes his pay cheque home every week and with it, all of the expenses and perks that are accorded to all members of Parliament. I do not hear him suggesting that his own salary be cut.

He also says, as I mentioned before, boards, commissions and other political appointees should somehow be cut back, but he does not tell us how much that would total and how that would directly affect the deficit problem we have. Would that actually reduce our deficit significantly? He does not tell us about that because I think that he knows that in fact it would not, that it is really a very insignificant amount in terms of the over–all problem that we are dealing with.

He also refers to grants to businesses and suggests that it is time that the government cuts back on grants to business. Well, if he had read the budget or listened to the budget speech he would understand and he would remember that there was a promise of a $75 million cut of grants to businesses and other interest groups this coming year and another $125 million to follow that.

I would suggest that the government appreciates the hon. member's kind advice, but it has already tackled that issue in the budget that we have just heard a week ago.

Finally, the hon. member mentions that we can somehow get social and economic justice or suggests that somehow this government is lacking in providing a road map to social and economic justice, but the hon. member does not tell us how we are going to arrive at that goal by expanding the deficit and refusing to tackle the debt.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I am very pleased that the member for Winnipeg South was able to come in for the last 20 per cent of my speech. Too bad she missed the first 80 per cent because many of those questions were already answered.

The first question was about members' salaries and perks. The last I heard the member was a member of the governing party. If that caucus had wanted to do it, they could have told the Minister of Finance and brought it in. We are not the government. So perhaps the member should answer the question herself because she is a member of the party that makes those decisions. If she wants to do that, then I give her full rein and licence to

convince her colleagues to do it, and the Minister of Finance has the full opportunity to do it.

I do not write the budget. The hon. member for Winnipeg South helps write the budget and if she wants to make those voluntary, that is okay with me. But I will say to her, if she wants to go ahead and make voluntary reductions herself, I think we would be glad to hear it, if that is what she is prepared to do.

The fundamental issue is this, it is how you go about doing it. She said that we would like to make the right cuts. The point I was making is that the only language we hear from the Conservatives is cut payments to single parents, to children, to the health care system, to education. That is the problem. I gave her an example, $179 million for the refugee board. Well, there is a $100 million cut for job training, for the Jobs Strategy Program.

I will make a proposition. She and I will go together to the Minister of Finance and say, "Look, if you want to get rid of total waste, then cut your friends off all those boards, come up with a refugee program that works, take the $100 million and put it back into job training so we can put people back to work in this country, so that we can start training people who are being thrown out on the street, so we can provide them with some real understanding of what is real public investment."

The public investment in this country is not in a bunch of people who are making $80,000 on the refugee board, the real public investment would be to put people into training programs and to give them the skills they need rather than cutting $100 million of the program.

If the hon. member for Winnipeg South wants to do that, then let her stand up on her feet and say she is prepared to support the elimination of that board and its proper restructuring and to put the money where it really belongs, on people, to help them get back to work and get the training they need. Those are the kinds of real decisions.

I will compliment the Minister of Finance totally on this. Thank God he had the sanity to stop the insanity of the Minister of Communications who was out doing institutes on cultural relations in Montreal and other places. At least someone got to him and put some sense of sanity back into his head.

But those are the kinds of extravagances, those are the kinds of excesses we are talking about and they are a legion under the Minister of Communications. We have not even begun to count up how many little pet projects he has been able to author. There is nothing wrong with the project itself if it creates something of value. If the government is really interested in helping the cultural community, recognizes its economic and social value, and puts money into it where it really works, then the artists will develop and expand their product and get their work performed. It is an important part of our society, but it is not the Taj Mahal that he wants to build. That is the problem, and those are the kinds of things that we are trying to raise.

There is a wonderful book by Sinclair Lewis called *Elmer Gantry*. It talks about a fundamentalist evangelical preacher who is always out—it reminds me very much of members on the other side— preaching about what is needed for salvation. Finally, someone came along and said: "That preacher is so busy telling us what is right, he forgets what is really good."

This is a government that is always preaching what is right and forgets what is really good.

Mr. Ken Hughes (Macleod): Mr. Speaker, I would like to ask the hon. member this question.

I was very intrigued to hear him speaking of excesses, extravagances and pet projects. We all know that when this member was a minister he was in that business himself in a particularly outstanding manner as it affected the community of Winnipeg.

Clearly members from Winnipeg would not want to raise this, but those of us in the rest of the west certainly were quite aware of the fact that when this member was minister he was quite deeply involved in extravagances and excesses in the city of Winnipeg. They were not particularly strong on being economically viable and they were not particularly strong on contributing to economic development. Nonetheless, I am delighted to see that the member has come around. I would just like to ask him one short question.

How many billions would you like to add to the deficit this year?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I think the observation of the member for Macleod just shows how this is a government that is unable to tell the difference between exaggeration and excess, like we have with the refugee board or a proper public investment as we made in Winnipeg, such as the Air Canada Computer Centre.

It provides a major technological advance for that city and provides employment for several hundred people as well as one of the most modern reservation systems in the country.

Is the member for Macleod saying that a major computer centre for an airline is an exaggeration? Is he saying that the investment in a major national research centre on industrial technology is an excess even though all westerners get to use it? It is the only way that small business in western Canada is able to undertake major improvements and innovations on industrial design.

Of course, the Tories would not think of that. No, they are much more interested in getting those old former Tory candidates on the Refugee Advisory Board. Now there is a sound investment. There is really good economics for you. Get your friends hired. That is how you really improve the economy of the country.

I want to come to the so-called simple question. The point I am making is that this government made no mention anywhere in its budget about the value of taking a look at a large number of those tax expenditures, the lack in the tax system that, for example, watches an orgy of takeovers, amalgamations and mergers because it does not tax that kind of foolish use of capital which totally undermines our economy.

It creates a paper economy which allows billions of dollars of capital to escape in this country to help buy companies in the United States or in other places and which adds no wealth to the country itself. That is the kind of real, I would hope, insight and real serious analysis that this government might some day try to make.

Frankly they will never get a chance because they will not be around that long.

The Budget

[*Translation*]

The Acting Speaker (Mr. DeBlois): On debate, the hon. member for Jonquière.

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, as I listened to the Budget Speech in this House on February 26, I suspected it might not contain very good news for the Canadian people. I think that is understandable, since, with interest rates around 10 percent, a debt or savings will double within a seven year period. That is what happened to us in Canada between 1984 and 1991. While the accumulated deficit we inherited when we came to power in 1984 was roughly $200 billion, it has now reached nearly $400 billion. This means enormous amounts must be expended from our Budget to service this debt.

• (1630)

For the current year, 1991-1992, the debt charges will total approximately $43 billion, which translates into $118 million a day for the taxpayers.

In this context, it is clear that any responsible Finance Minister from whatever government has no choice but to do his or her best to cut expenditures and try to avoid raising inflation. To improve our economic situation and get out of the recession, it is very tempting to increase expenditures. That would make a good impression. Theoretically, we could think that by increasing quickly our expenditures, we will increase employment and put the bad times behind us.

Allow me, to illustrate this point, to quote statistics from previous governments. Interest rates in 1981 stood at 22.75 per cent. As we speak today they are down to something like 10 per cent. Inflation in 1981 peaked at 12.7 per cent compared to roughly 5 per cent now. The unemployment rate in 1983, shortly before we took office, was 14 per cent, today it has gone down to about 10.5 to 10.9 per cent.

Of course we are aware of the current recession. We know that bankruptcies are on the rise throughout Canada—over 54,000 in the last year—and we can see that some people are having a hard time getting through.

So what options did we have in such a situation? I believe the Minister of Finance is steering the proper course under these circumstances. Among other things it is clear that the decision to freeze our expenditures or

freeze the growth of our expenses at about 3 per cent until 1995 is an excellent option which should enable us to get a handle on inflation.

Mr. Speaker, you know that last year we chose to levy the goods and services tax and, from a political standpoint, that is not a paying proposition. There is no political return in implementing a 7 per cent tax on goods and services. Not one single Canadian is glad about or appreciates such decisions. But they were made by a responsible government that must take action not to become more popular or gather more votes but to administer a country which is experiencing trying times. We have to manage the country in such a way as to be able to pull ourselves out of the duldrums and control the debt.

Mr. Speaker, if we can control inflation and keep it down, by the same token we will lower interest rates and pave the way for future economic growth.

I would like to draw the attention of Canadians to some of the points in the Budget that I found particularly interesting. Perhaps I should explain, Mr. Speaker, that it would be very convenient for the government to decide that it could use the additional income from the Goods and Services Tax to add new programs and take measures that are politically attractive. However, that is not what the government has done. It has decided to take the revenue from the GST and use it to reduce the deficit.

Another important point, and this is another innovation on the part of the government, is the decision to legislate spending limits. In other words, Mr. Speaker, if the government wants to set up a new program, it will have to respond to needs that did not exist before, and any programs that no longer respond to those new needs must first be removed, so that is another way in which this government has innovated and shown that it is serious about this Budget.

Of course, although I am a member of the Conservative Party, I am perfectly able to come out and say that I don't agree with everything in this Budget. It happens occasionally that members see things they do not particularly like, and for instance, as Chairman of the Standing Committee on Labour, Employment and Immigration, and right in the middle of a recession, I would have preferred to see an increase in the budget for the Canadian Job Strategy. However, the Minister of Finance decided otherwise, and the budget will be cut by $100 million.

On the face of it, this does not make sense, but we must see this as part of the general picture, as part of the unemployment insurance reform.

Mr. Speaker, you will recall that this Budget provides for nearly $500 million to be used for training workers this year. That amount will be added to the job strategy. The strategy's overall budget has varied between $1.5 and 1.6 billion annually since 1984. So now we have $500 million as a result of unemployment reform that will be added to the amount I just mentioned.

On the whole, Canadians will get more out of this Budget, even if, as far as the job strategy is concerned, there will be $100 million less. This week, during the Quebec caucus, I asked the responsible minister a number of questions to ensure that the regions will not be penalized as far as the strategy is concerned. On this basis, we have been assured by the Minister of Employment and Immigration that the various regions would not be affected. We will be in a position to provide more detailed information on this over the next few days.

Having said that, Mr. Speaker, I refer again to the $159 billion in expenditures, including $43 billion in debt servicing and $115 billion in programs spending. In view of such major budget, we have made a decision concerning the equalization payments to the provinces as well as the Established Programs Financing.

The provinces are always seeking a bigger share of the Federal government's tax revenues. However, we have to let the provinces know that they will have to administer their finances more wisely because we are compelled to make cuts. We just cannot impose such impopular taxes as the GST and then give away the revenues to the provinces.

While dealing with equalization and transfer payments, I wish to remind the House that we are facing a Constitutional crisis and that, as such, they should be part of the forthcoming discussions with the provinces. I myself am a member of the joint committee currently visiting various parts of Canada to try and find solutions to the current Constitutional deadlock and I should like to emphasize that Constitutional problems are not likely to help putting the economy again on the right track.

We must live with that. We must try and find a way out of the deadlock. Together with my colleagues, I must find a way to remove the current Constitutional amending formula which requires unanimity. It is important, Mr. Speaker, for if we should fail, Canada would not survive. We must find a way to get rid of this straighjacket which requires unanimity, so that Quebec may get some of the basic powers it needs, such as the protection of its language and culture, the appointment of judges to the Supreme Court, etc.

• (1640)

Of course, I refer to that in connection with the budget because indirectly these Constitutional problems have an impact of the budget of our country and they affect our economy. We want Canadians to realize that what is forthcoming is serious. If we can get rid of that unanimity provision I sincerely believe that Quebec will be able to sit again at the table and score some very crucial points concerning the protection of its language and culture, because unanimity will no longer be necessary. The new formula may require the support of seven provinces with at least 50 per cent of the population—this will have to be determined—but this is one of the assignments we are currently working on with my colleagues and the two co-chairmen, Senator Beaudoin and Mr. Edwards.

Mr. Speaker, I will not deal any further with this budget. We must keep in mind the two important measures concerning the GST. The money is there and the revenues will be used for debt reduction purposes. We also promise to pass legislation to limit the growth of our expenses, so that subsequent governments will pay as much attention as we do to efficient management of public funds.

I wish to thank you, Mr. Speaker, for giving me the opportunity to participate in this debate. In conclusion, I would like to quote a couple of paragraphs from an article written by Mr. Frédéric Wagnière, and published in *La Presse*. It says: "An Honest and Far-Seeing Budget. Michael Wilson tabled yesterday an honest budget which should answer many concerns expressed by Canadians. The Minister of Finance showed that the government understands how serious the economic and financial situation is in Canada and has decided to respond. The policies he is suggesting may seem simple, but that is not to say they will not be tough. You cannot hope to come out of a recession and reduce an enormous budget deficit without asking everyone to do his or her share. This Budget is simple insofar as it deals directly with problems and does not put our economic future in jeopardy."

I think this is an appropriate description of the responsible steps we have taken and will continue to take in order to control inflation and reach our goal of 2 percent by 1995. We also want interest rates to keep or going down as they have been doing since last May; they have dropped by 4 points. That is the direction we want to follow to allow our businesses to invest and our country to grow. We want to see the employment rate increase in every region in Canada and our people to do well.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to thank the member from the government side, the member for Jonquiere, for his speech on the budget. I would like to pose a few questions to him.

He indicated that the interest rate in the 1980s rose to 22 per cent and today is at 10 per cent. Yet early this afternoon the finance minister indicated that the debt was not as substantial in the 1980s as it is today. We also heard that there has been a period of good economic growth since the election of 1984.

My question is: Who made the substantial debt today? It is obvious it is this government.

Then he spoke about not having any choice today. Well, he had a choice. The government had a choice in 1988, and that was to avoid the pre-election free spending that happened only to buy the votes of Canadians.

The member indicated that the income from the GST would help reduce the deficit. We have opposed the GST, but should revenue emanate from that and reduce the deficit it will, of course, be welcome. However, I would like to say he has forgotten the deficit of people, the basic needs for housing, shelter and education among the poor. Why will he not be prepared to consider reducing the deficit of people as well?

Does the hon. member not make a distinction between deficit and investment? Deficit is when nothing comes out of it; expenditure on something that nothing good comes out of it, of course, is a deficit. But when you spend money for the future of our children, would he also call it a deficit? I would say it is an investment, to make them more competitive in the future.

He spoke about national unity. Would he agree that the strengthening and not the weakening of our social programs will be the national glue that will truly maintain the country? Also, would he agree that this budget will melt that glue?

[*Translation*]

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, I thank my colleague for his comments.

My answer to that, Mr. Speaker—and I want to repeat this because he may have been out of the House for that part of my remarks—is that if you have savings in the bank earning interest at about 10 per cent your money will double in seven years. The same thing happens if you are indebted: in seven years at an annual interest rate of about 10 per cent you will owe twice as much.

That is precisely what happened in Canada since 1984 when we took over and were confronted with a debt or a deficit amounting to $200 billion. Now it stands at $400 billion. These are the $400 billion which are costing you close to $43 billion in interest this year or, to put it another way, every day you are taking $118 million out of the pockets of Canadian taxpayers for interests alone.

I would point out to my colleague that when we took office in 1984 the government was spending $1.33 for every tax dollar collected. That is like spending more than you earn. At the time the government was giving Canadians $1.33 worth of services for every dollar it was taking in.

With that in mind you can understand that one simply cannot erase the debt overnight. That is not possible. There is no way we can rise tomorrow morning and say that the $30.5 billion deficit we had the night before—as we will have for 1991-92—has been reduced to zero. What a crisis we would have on our hands! We have to act more responsibly and more reasonably just so that gradually we can manage to bring our program expenditures in line with our revenues and eventually regain control and reduce the $400-odd billion debt we are carrying now.

[*English*]

Mr. Pagtakhan: Mr. Speaker, since nobody wants to seize the opportunity, I cannot let it pass.

In his reply, the hon. member said that perhaps I was not here. I never left my seat. I was listening intently and, of course, I was disappointed in his analysis. That was the problem and he has to admit that.

With respect to the question of spending of the capital and the interest, the fact remains that we have had good economic growth over the last six years and this government has not been able to decrease the deficit. Now it says "You cannot eliminate it overnight." Well, it has had six years. It is not overnight. I think he is trying to defend a defenceless position. I think he has to admit that the government has lost credibility and does not have the capability to hold on the deficit and it must resign so that we can have a new mandate and lead Canadians to greater prosperity.

• (1650)

[*Translation*]

Mr. Blackburn: Mr. Speaker, I think I should once again clarify my colleague's statements on the meaning of the debt charges, which amount to $43.5 billion this year. That is the combined dollar amount of the Old Age Security, Unemployment Insurance and Family Allowance Programs, which is roughly equivalent to that of our debt charges.

Also, I must point out to my colleague the change of direction that we have taken between 1984 and today. In 1984, under the Liberal government, revenues were $71 billion and program expenditures, $87 billion. It means that the government was spending $16 billion more than it collected in revenues. In 1989-1990—all right, I will go back one year—our revenues were $113 billion and our program expenditures were $103 billion, which represents a positive change of more than $13 billion, to show you the difference between the two ways of managing the country.

But once again, the debt is not being paid overnight. I mentioned to you program expenditures and revenues. But you have to add the debt interest that we have to pay every year. Where are we going to get that money? That is why our debt or our annual deficit is still there and is

very difficult to bring down. We will gradually reduce our spending by 1995. Our program expenditures will not rise by an average rate of more than 3 per cent by 1995. To indicate clearly that we intend to hold our course, we want our revenues to grow as much as possible and our spending to go down to finally be able to start paying the debt.

[*English*]

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I am delighted to welcome all of those who are watching here this afternoon to what I will call "Parliamentary Pursuit". If you think you have the answer, I want you to bang the table as hard as you can, and the first one gets to answer the question.

Are we all set? Are all the Tories ready? Are all my colleagues behind me ready? Are all those Liberals over there ready?

Here is the question: Who was selected by *Euromoney* magazine as "The World's Worst Finance Minister"? I will give you three choices: (a) Michael Wilson of Canada; (b) Otto Stich of Switzerland; or (c) Li Peng of China?

Ms. Mitchell: Michael Wilson.

Mr. Rodriguez: I hear the name Michael Wilson. I want to tell you that if you had picked all three, you would have been correct. These are the three worst finance ministers in the world.

Poor old Li Peng has been retired for recycling, so he does not have his job any more. But Otto Stich, who led Switzerland into stagflation, is still holding on to his spot. And we still have Michael Wilson as finance minister.

What was it that qualified him for this award as the worst finance minister in the world? Look at the accomplishments. In two years, this finance minister has made projections. He made projections on the deficit, and he was wrong. He made projections on the inflation rate, and he was wrong. He made projections on the unemployment rate, and he was wrong. He made projections on the interest rates, and he was wrong. He was wrong, wrong, wrong, wrong. This is the wrong minister in the wrong government at the wrong time in the wrong country.

Look at the accomplishments. Can you believe this? This is a real accomplishment. Here we are in the middle of a recession. It was started as a made-in-Canada recession. We have a recession and we also have high inflation. So, we have an inflationary recession. This is quite an accomplishment.

The other day I saw a very interesting movie, *Edward Scissorhands*. After seeing that movie and reading the budget, I came to the conclusion that what we have here is Michael Scissorhands. Now, for those who have not seen this move, Michael Scissorhands is a character whose hands were all scissors. At first, Michael was loved by the community because he could cut the hedges in interesting ways, he could cut your hair in interesting ways and everybody loved him. But, there was an unfortunate thing. Even in this beauty of cutting and cutting and cutting, he inflicted some scars on himself. He cut himself.

Then something happened to Michael Scissorhands, he fell in love. Is that not marvellous. Nothing that we can attribute to our own finance minister, but Edward Scissorhands fell in love. Unfortunately he was used. The story goes on that he was used by the boyfriend of the girl he fell in love with. Then poor Michael Scissorhands, unfortunately, had to return to his castle in the sky. Have I got the story more or less right?

Some hon. members: Yes.

Mr. Rodriguez: So it was cut, cut, cut and, eventually, he went up to his fictional palace in the sky.

I look at our own finance minister and I ask: "How is Michael Scissorhands like that?" I mean, look at what he has done. He started out cutting, cutting, cutting and cutting. I would suggest that his cuts are really putting slashes on the body corporate of our country.

Tories are groaning, Mr. Speaker, but it is fact. Now, let's go through the budget. Let us take a look at what the Conservatives, under the present regime, are projecting as economic nirvana. Notice that all of these projections are going to happen after 1993. We know what is going to happen. That is an E-year, and all of these things will be in Tory heaven. If this is an example of Tory hell, can you imagine what Tory heaven is like? All of this economic nirvana will come after 1993.

Tory heaven is a place where there will be have an average of 2.2 per cent inflation, not 3 per cent and not 4 per cent, but 2.2 per cent. Tory heaven is going to be a competitive place. Tory heaven is going to be a place where people will have to become predators to survive. It will be a place where unemployment will be 10 per cent or more on average. It is a place where the federal government is going to transfer the responsibility for the erosion of social programs to the provinces. It is a place where the wages earned in this country are going to be wages of fear and insecurity. It is a place where in their struggle to keep their share of shrinking government funds, provinces are going to be pitted against provinces, workers are going to be pitted against workers. It is a place where the government's main function will be efficiency and not public service.

Michael Scissorhands, the Minister of Finance for Canada's corporate welfare state, is promising that nirvana to Canadians. It will all, he says, happen in 1993, after the election.

Under the Liberals, we saw them turn Canada, our country, into a corporate servant. These Tories are turning Canada into a corporate slave. We have seen all the tools of public policy gradually captured by Bay Street and the BCNI. Why is it that in all of this budget it is working people, it is the working poor, it is the working middle-class who are making all the contributions to the attack on the deficit? Why is Michael Scissorhands being used by his friends? That is the similarity with the *Edward Scissorhands* movie. He is being used by the corporate sector.

• (1700)

Look at the projections for corporate profits in 1993. Look at the corporate profits and where they are going. This minister, Michael Scissorhands, did not lay scissors on the corporate sector; not one pair of scissors was laid on the corporate sector, not one.

I think the people in my riding and the people across the country asked the question: "I do not mind making a contribution to bringing the deficit down, but why do I have to make a total sacrifice? Where is the contribution from the corporate sector which gets so much out of this economy? Why aren't they making a contribution?"

These are the new functions of Michael Scissorhands' corporate welfare state. The government's sole role shall be to enforce the laws of the marketplace as interpreted by the BCNI. They are to use the power of the budget and interest rates to implement the corporate agenda.

I think that we have been misled. This is a shell game. When we have been thinking all along that the government really was out to fight the deficit and the debt and that everybody was focused on that, I think the real agenda was to put in place what I call the corporate agenda; in fact to put in place certain processes, certain laws to remove the government from any interference in the marketplace, so that in fact this market can deal with all the problems of Canada.

While we are focusing on fighting the government on the debt and the deficit, very quietly it is putting in place the other part of the more important agenda. It is putting in place, for example, deregulation. It is putting in place privatization. It entered into a free trade agreement.

Anything that enters us into and locks us into a continental agreement, whether it is energy, whether it is trade, the fact of the matter is whatever government takes office would find it very, very difficult to extricate itself.

These stories can go to their reward knowing full well that nobody—no socialist government, no Liberal government, no whatever other government after—can interfere with the agenda that it has achieved for its friends.

What are the new functions of the corporate welfare state? Cut budget expenditures and subject the people of Canada to artificial scarcity. Michael Scissorhands sends a clear signal to financial markets that the value of their future earnings is safe.

Look at what else they tell us. We have to be competitive. In other words, we have to dampen the demand of workers for a fair share of the wealth that they produce, so workers should take a buck an hour because we have to compete with Taiwan or we have to compete with Mexico or any other country that does not offer their workers the same benefits for their labour that we offer in this country and for which many of them fought over many years to establish or to win.

I have never seen a sumo wrestler corporation having been built up by this government. I have never seen any

of them out of the goodness of their heart—I have got to correct that. That is not true. The Blue Jays just gave Dave Stieb a nice big increase and he did not ask for it. Of course, there is no collective bargaining there. There is only arbitration. I have never seen it.

I ask the member from Westmount, if he has ever experience a corporation that came along and said to the workers: "Oh, you have done a great job. You have help us to become large, healthy, wealthy and wise. We are now going to give you a 10 per cent increase because you have done so". Never, Mr. Speaker. That is not the pattern.

What this government is doing is establishing certain criteria for the corporate welfare state, that is to cut wages and Canadian purchasing power.

The next thing they want to do as part of that agenda is to cut the Public Service force and replace them with Revenue Canada arm-twisters, so they can get more taxes out of them, collect more GST, and so we move away from public servants who actually serve people to ones who are going to take money out of their pockets. That is what we see. Look at the work force to collect the GST. That is expanding, that is expanding.

It seems to me that this government is changing the nature of government so that people will have a good reason to hate it. All that we have seen Michael Scissorhands do is cut, cut, cut.

Now the Tories say: "Brothers repent, salvation is at hand". What is salvation to attain Tory heaven? What is salvation to attain this Tory heaven? I hear somebody say: "What is it?" I will tell you since you asked. It says salvation will come through international trade, international trade. We have to be globally competitive. Have you not heard that? Salvation is there.

What do we have to do? The middle class and working poor in this country must go on a diet so that in fact we cut the social programs and we raise the taxes. What we have to do is we have to build those of our corporations that can compete internationally. In other words, we have to develop sumo wrestlers. No Hulk Hogans for this government; salvation rests with developing sumo wrestlers, because it is these sumo wrestlers who will provide us entry into the Tory nirvana.

But these sumo wrestlers are never satisfied. They always want more and more and more. They are always saying to their lackeys in government, the Tories, run up, run up. Doc, I have the spot here for you, right here.

What have they done? They have turned over government. They have built up the power of these international corporations that have got to go out and compete for us.

So I ask: What is inflationary and what is not? If workers get an increase beyond 3 per cent, that is inflationary. That is inflationary. Here are some figures. Why are these not inflationary? Why are these not inflationary? What about the chairman of Imperial Oil? He is treated to $1.2 million a year. That is his salary. Is that not inflationary?

Mrs. Dobbie: That is the private sector.

Mr. Rodriguez: The chairman of Magna, $1.2 million; the president of Corona, $1.7 million; the chairman of BCE, $1.2 million; the chairman of Varity, $1 million plus.

The member says: "That is the private sector". Those are the sumo wrestlers. A lot of those companies I have named have not paid one penny of income tax. They have not made one contribution, not one contribution, to help reduce the deficit of the country.

Mr. Crawford: They have.

Mr. Rodriguez: What contribution are they making? Yes, brother, they have made. Yes, they have made. I know how they have made.

Statistics Canada produced the figures, which I read recently, that showed in the recent recession who benefited from the recession. It was not the middle class. It was not the working poor. It was all those in the upper wealthy classes of this country.

Why? Because they had the money to invest to take advantage of the high interest rate. They are the ones who could afford the Treasury bills. They could afford all those kinds of certificates that returned nice interest rates.

And this Minister Scissorhands did not even put a surtax on the wealth they achieved; not even a surtax to try to get back some of the money, to let them make a little contribution, a little contribution, to reducing the deficit.

Mrs. Dobbie: There are surtaxes.

Mr. Rodriguez: There are surtaxes but given the very wealthy in this country you have to make choices. Why go back to poor people to hit them again? You are dead when you increase the unemployment insurance premiums by 25 per cent. Why not go to the people who have got money? Why is it that this Scissorhands always goes to the people who do not have money? Why go them them? Why do you go to people who do not have money? It seems to me you should go to people who have money. You know you go to the Desmarais and the people like that. You get them to pay some share of the deficit. After all the corporations have gained so much from our country.

• (1710)

Or, what is inflationary? What is not? The returns for these large sumo wrestlers, chief executive officers, or the single mother, part-time workers, cashing their $250 paycheque and struggling to make both ends meet?

Well, Mr. Speaker, I see you have given me the finger. I only accept the finger from you. You are the only person I will accept the finger from.

But I ask: What is inflationary, what is not? An over-priced Canadian dollar which boosts the price of our exports and destroys employment and resource industries? Who pushed the interest rates up? It is not the Governor of the Bank of Canada. It is not the government.

An hon. member: Who?

Mr. Rodriguez: It is Michael Scissorhands, the boss.

Mr. Speaker, I see you have given me the finger. I want to tell you that if Michael Scissorhands can make forecasts, I am looking into the crystal ball. I am looking into the crystal ball and I see a number. I see a number. It is one—one. And I see another number: it is nine. And another number: it is nine. And another number: it is three. It is 1993. Thank God salvation will come and we will remove Michael Scissorhands and send him back to his palace. God help us.

Some hon. members: Hear, hear.

Mrs. Dorothy Dobbie (Winnipeg South): Mr. Speaker, I have never heard of *Eurofinance* magazine. I think that is what the hon. member mentioned.

An hon. member: It is *Eurofinance*.

Mrs. Dobbie: I do not know if anybody else in this House has ever heard of this wonderful journal either, so I am not sure how much credence we can put in its particular comment.

I also want to mention to the hon. member that the sumo wrestler class in Japanese history was there to protect those who were unable to protect themselves. Perhaps the hon. member's analogy is an appropriate one because obviously if we do not have good corporate citizens to produce well we will not have the wealth we need to protect people who are less capable of looking after themselves.

I must commend the hon. member on for once in his life making a little bit of sense in his fine analogy about sumo wrestlers. We do need protection for people who cannot look after themselves in this society and the Conservative government certainly understands and recognizes that. That is why its budgetary measures have been so appropriate to the needs of the people who are underprivileged and who really do need a helping hand once in a while.

I also want to mention that we heard a lot about how the NDP would somehow turn around this problem that we have in Canada *vis-à-vis* our deficit. In fact, in terms of my own experience with the NDP which is a long one in the province of Manitoba, I do not see anything to support that.

For example, when the NDP was in government for many years in Manitoba they turned the province into a virtual corporate desert. There are very few of the major corporate offices still in existence in Manitoba which we at one time enjoyed because they were taxed out of existence through the very strange sort of economic policies of the NDP when they were in power.

I do not quite understand how the hon. member would suggest to us that NDP policies would somehow cure the ills of Canada, that by taxing corporations we would somehow generate more wealth to spend on the people who really do need help.

I suggest that the hon. member has a very twisted view of how economics work in this country, or in any country indeed in the world.

In fact, we know that the NDP does not believe in the deficit. It thinks that if we owe money to ourselves

therefore no deficit exists and no debt exists. That is not exactly the way the rest of the world views the situation.

Also the hon. member talks about nirvana. Nirvana, he says, is something that this government strives for through using budgetary measures, which I suggest will probably have a very profound effect in getting us to nirvana if we are given enough time and opportunity to let our measures take effect.

We do know that the NDP idea of nirvana is something that you get to by spending other people's money. The NDP never understands that you have to generate wealth by doing something productive, by manufacturing things, by making a little wealth, by making a profit. That is the way to generate the kind of wealth that can then be used to create the kind of Utopian kind of society we hear about all the time from members like the hon. member opposite.

I would suggest that when hon. member talks about nirvana he has a very short-sighted idea of how to get there. He would get there by spending my money, your money, the money of the taxpayers of this country, for his ideas rather than what is really necessary and good for the corporate body of the country.

Finally, I wonder whether members of NDP would tell us where they base their wonderful projections, on what experience? Do they base it on the experience of Russia, communist Russia, socialist Russia? Perhaps they base their economic theories on the wonderful experience of communist China, socialist China. Oh, no, I am sure they are going to hold up the example of Sweden, that great social democratic society which has just introduced a goods and services type tax at 24 per cent and which is in terrible trouble.

I do not know where members of the NDP are getting their secret plans for the future of this country, but perhaps the hon. member would take a moment to share with us just on what he bases his profound conviction that they have the right economic policies and plans for the country.

He talks about recession. I do not want to take all the time here, but he suggests that somehow the rich do well out of recession. I wonder if the member would tell me just who benefits when interest rates come down. That is one the effects of recession. Perhaps he would share some of his wisdom with us.

Mr. Rodriguez: Mr. Speaker, first of all let me say to the member that I have never lived in Manitoba. I do not know the political history and all the ramifications in Manitoba, but I can tell her of a province that I know, a province where history is unfolding, and that is the province of Ontario.

The Ontario government took over with a deficit. The Ontario government had choices to make. One of the choices it made was that it was not going to reduce any deficits on the backs of the working people of the province of Ontario. It made the choice that it was not going to cut back the services to the people of the province of Ontario. People pay for services and they are those services such as health care, education and social assistance that we cannot cut back. There are services that people are entitled to such as child care.

I used poor old Edward Scissorhands, who was a lovable character in the movie. What I tried to characterize with Edward Scissorhands is an unlovable character of Michael Scissorhands, the finance minister of this country. The sumo wrestlers in the present context certainly do not have that philosophy of protection any more. We have changed that image of sumo wrestlers, in terms of corporations being compared to them, in the fact that they want to get bigger, larger and heavier so that they could in fact compete in their class. That is the comparison.

Now we get to the corporations. If I look at the projections in the budget on page 44, I see the projections in the Table 2 of incomes. Real personal disposable income is projected in 1992 to go up 1.3 per cent. Corporate profits before taxes will go up 29.1 per cent. Already the revenues collected from corporations have been declining as compared to revenues collected from individual Canadians.

What we have been arguing with this government about is that there ought to be some fairness. If you are going to wage a war on reducing the deficit and the debt, fine, but there has to be an element of fairness. In other words, if you are asking ordinary, average, middle income Canadians and the working poor to bear the brunt of reducing the deficit, they ought to be able to look at examples of where the corporate sector is bearing its fair share of reducing the deficit.

• (1720)

We on this side of the House said: "Look, how do you think this deficit kept increasing?" It is because this

government followed a high interest rate policy. Why? Because John Crow said there were fires of inflation.

Where were the fires of inflation? The fires of inflation were not in Alberta. They certainly were not in Atlantic Canada. They were not in northern Ontario. Those fires of inflation were in Toronto. To diffuse the fires of inflation in Toronto we followed this government.

This government followed a high interest rate policy. For every 1 per cent the interest rate went up, the deficit went up $2 billion. We kept saying to the government that it ought not be following this policy.

Many others in this country said: "You ought not be following this policy." The fact of the matter is that the government brought on this recession. We are in the middle of a recession. What do you have the government doing? Slashing and cutting. Michael Scissorhands is at work cutting and cutting. This is not the time to cut.

We should be spending money. She asked how we would deal with this. I say to the minister that we would deal with this question. Where is the money that we put into research and development? If anything at all, down the road ought to be able to put us in a competitive world position.

There is no money being spent on research and development. There are cutbacks. We are spending less than the other industrialized nations as a per cent of our GDP on research and development.

The government is cutting back on post-secondary education so what we are going to hand down to future generations of Canadians are post-secondary institutions that are falling apart. Programs have been raped and destroyed, so I say to the hon. member: You are wrong, wrong, wrong and the course you are following now is still wrong.

Mr. Stan Wilbee (Delta): Mr. Speaker, I really appreciate the opportunity to take part in the debate this afternoon. I cannot compete with my friend across the aisle in sound, but I hope that I can present some substance today.

I think when all of us run for Parliament we have various reasons for doing it. I had some reasons, of course. I sought the nomination because I was concerned about certain things that I saw happening in our country. I was concerned about the large deficit that our country was carrying, about the enlarging debt load that we were seeing. It was strangling our country and slowly reducing our options.

Also, I was concerned about the increasing size, cost and power of the government which I felt was having very stifling effects on individual initiative and entrepreneurship. Rather than having a government and a bureaucracy that was serving the people, I found that people were more and more spending their time and their efforts in serving and paying for a government they did not necessarily want or need.

I see in this budget the beginning of initiatives which the people are loudly demanding and insisting on; hopefully, the winds of change are blowing in this country of ours.

In these very tough economic times, there is no doubt in my mind that it would have been much easier for the Minister of Finance, as he tabled his budget last Tuesday, to start spreading the money around as some of our opposition members would suggest rather than cutting where it is necessary, to say: "We will spend more and more money."

I am sure he would have loved to spend more and more money on projects in the east, west and in the centre of Canada. That is a lot more fun than producing the budget which he had to produce at this time. He did not do that, and I am very glad that he did not start spending, that he did start cutting, that he is holding the line not only for myself but for my children, my grandchildren and my great grandchildren as well as all the other young people in this great country of ours.

We all know what happened in the last recession with the previous administration. Canada's annual deficit increased from $14 billion to $28 billion. We just cannot afford to make that same mistake again.

I believe this new federal budget starts a sound, sensible course for Canada's future. It is a budget that is based on difficult choices made in very, very difficult times and with long-term goals in view. We are not putting the band-aids on. We have a long-term goal at which we are aiming.

If we were to set out on that easy path of spending money, I am sure it would eventually create disaster for our youth. Spending our way out of the recession would result in only short-term growth, no permanent jobs, no

permanent investment and eventually higher unemployment. It would strictly be that band-aid solution that we were talking about.

Our plan for economic development takes a different path. Its goal is not only to end the recession but to restore strong, continuing growth that leads to renewed prosperity. This path is the more difficult one at present but I firmly believe that the finance minister has made the right choices at this time.

As the minister outlined in his budget speech, the key to recovery is lower interest rates. This will be achieved through concrete actions which he outlined for us. First, clear achievable inflation targets issued jointly by the Governor of the Bank of Canada and the Minister of Finance to reduce inflation to 2 per cent by the end of 1995. Second, government finances will be put firmly on course to a balanced budget. The existing expenditure control plan introduced last year will be extended and backed up with legislated program spending limits. All revenues from the goods and services tax and privatization will flow into the Debt Servicing and Reduction Fund, something which Canadians have been crying for for a long time. Third, and very important, the operating costs of government including wages and salaries will be severely restrained.

As well, a number of recent expenditure decisions have been reconsidered, such as the previously announced contribution of $88 million to the Toronto ballet and opera house; there is the provision of financial support for the construction of concert halls in Edmonton and Montreal; and just recently the cultural research institute in Montreal. In my riding these limitations have been widely applauded at this time of severe financial restraint.

It is important also to note that we are not asking anyone else to do something which we as a government are not willing to do ourselves. We will be setting an example by reducing our own spending. Starting right at the top, the Prime Minister and the cabinet ministers will be taking a pay freeze this year. New restrictions will be put also on the members of Parliament during this coming year.

Government departments will have to absorb any wage increases within the existing budgets. The government will also be eliminating layers of bureaucratic management and reduce the number of senior managers by 10 per cent. Again, this is something which people have been asking for in Canada for a long time.

As a result of these very concrete policies, key fiscal goals will be achieved. The Canadian economy will recover in the latter half of this year. Over-all we recognize that there will be a 1 per cent shrinkage in 1991 or this year, but it will rebound next year with a 3.5 per cent growth, a tremendous improvement and certainly something that we are anticipating very much.

New federal borrowing in financial markets will be eliminated in 1993-94. This is going to be a day of great celebration for all Canadians. Program spending growth will be limited to an average of 3 per cent per year after 1991-92. The deficit will be held to $30.5 billion this year and next despite the effects of the recession in this country. In 1992-93 with recovery and lower interest rates, the deficit will fall below $25 billion for the first time in a decade, a real accomplishment with all the various programs that have been assisted and developed.

The budget will result in a better balance between fiscal and monetary policy and this will provide the lower interest rates and greater confidence essential to economic recovery. At the same time, the budget reflects sensitivity to current economic difficulties. In other words, in spite of all the number crunching, we have not forgotten the human factor, the people who have lost their jobs, the elderly, the farmers who are struggling due to problems beyond their control in the global market.

• (1730)

In 1991-92, we will increase program spending by 6.9 per cent. My personal preference would be to see no increase, but we recognize again, in these difficult times, that there are people out there who definitely need help. This will mean a total increase in spending of $7.5 billion, which will be spent when it is needed and, indeed, where it is needed. Of this, $3 billion will be going for assistance to the unemployed, $1.6 billion to the elderly, and $1.3 billion to help our farmers.

In addition, our defence spending was increased by $600 million to help with increased responsibilities we are all aware of in the Middle East situation. Of these

four areas, these will account for 80 per cent of the increase in our program spending.

As well, exemptions will be continued for income support programs for seniors, for families and veterans, unemployment insurance, as well as the equalization program and the Canada Assistance Plan payments to lower income provinces.

Again, a very important point, that Indian and Inuit programs will also be exempted as will defence spending. These programs account for 60 per cent of program spending and will grow at an average rate of 3.9 per cent from 1991–92 to 1995–96.

All other program spending will grow at an average annual rate of 1.7 per cent.

This budget, of course, also contains important new tax measures to benefit the disabled. These measures constitute just one element of the government strategy to promote equal opportunities for Canadians with disabilities. They build on an impressive series of initiatives to improve the quality of life of Canadians with disabilities and remove the barriers to their full participation in our society.

For example, the government has, first of all, appointed a minister responsible for the status of disabled persons. It has passed the Employment Equity Act to promote the hiring of Canadians with disabilities. It has broadened the eligibility for the disability tax credit while increasing its value and providing for greater transferability to family members.

There have been increased Canada Pension Plan disability benefits. The new measure announced on Tuesday will have a value of $70 million a year to Canada's disabled and their families. As part of the new measures, the disability tax credit will be raised from $575 to $700 annually.

The definition of expenses eligible for the medical expense tax credit will be broadened. This will now include the cost of part-time attendants in the home. We recognize how essential it is to give families relief from the constant care of those who are severely disabled. It will also allow for specially trained service animals such as seeing eye dogs, modifications to the home, widening doorways, this type of thing, and incontinence products which, as we know, are tremendously expensive and, up until this stage, have been a severe burden on those disabled who required them.

Also, any costs that are acquired by employers in modifying their places of work to accommodate disabled persons are fully deductible in the year in which they are incurred. Allowances provided to employees for taxi fares, Para Transport and parking will no longer be considered as taxable benefits.

Having a disability is no longer a reason to be kept out of the mainstream. By assisting both the employees and the employers, these new tax measures will help ensure that disabled Canadians have equal opportunities to participate in the workforce.

As I stated at the beginning of my remarks, I believe that the measures being taken in this budget will lead our nation forward to continuing growth and renewed prosperity. We must plan for the long-term.

Many of my constituents have written to me, they have phoned me, they have stopped me on the street and very frequently they compare the nation's finances to their own household finances and they say, "You just use common sense, spend only what you can afford. Set a budget and stick with it. Do not live on credit." I firmly agree with these remarks and, I think, as a government, we are beginning to see this developing.

That is why I am pleased that future program spending will be managed tightly and expenditure limits on program spending will be imposed by legislation for the next five years. This will allow Canadians further assurance that their money is being spent wisely. These limits will be set in law to ensure that the budget's program spending track will be met. This law will be a significant and a welcome change to the way the government manages its expenditures.

I am pleased that the budget will address public concerns that revenues from the goods and services tax might be used to finance new spending instead of reducing the deficit. Time after time I have people come up and talk to me and say: "The only reason you guys want more money is so that you can spend it somewhere else." So, I am very pleased that that we can assure them that all of the revenue from the goods and services tax will be used to reduce the debt and indeed the deficit.

This will be done through legislation, to establish the Debt Servicing and Reduction Fund, into which all GST revenues will flow, as well as privatization revenues and contributions from individuals and businesses. I am sure

we have all had constituents who have come to us and offered money to help reduce the government debt because of their deep concern for what it is doing to their country.

In closing, Mr. Speaker, I would like to read into the record a letter written in November, 1990 by Richard C. Halverson, Chaplain of the United States Senate. Mr. Halverson wrote:

> Dear Friend:
>
> In my ten years as Chaplain of the Senate, I cannot remember a time of greater frustration among members of Congress and their staffs, or more expressions of anger from the people.
>
> Several years ago, there came to my attention a quote from the book written by Alexander Fraser Tytler. Mr. Tytler lived at the end of the 18th century and the early part of the 19th. He wrote a book entitled *The Decline and Fall of the Athenian Republic*.
>
> Amazing, is it not, that the following quotation from that book, written about an ancient democracy, long before American democracy had really been tested, is so timely.
>
> Mr. Tytler wrote:
>
> A democracy cannot exist as a permanent form of government. It can only exist until the voters discover that they can vote themselves money from the Public Treasury.

And I think that is a very significant factor in our discussion today.

> From that moment on the majority always votes for the candidates promising the most benefits from the Public Treasury with a result that a democracy always collapses over loose fiscal policy followed by a dictatorship. The average of the world's great civilizations has been 200 years. These nations have progressed through the following sequence—

And I would just remind hon. members that this was written 200 years ago. The sequence is:

> From bondage to spiritual faith; from spiritual faith to great courage; from courage to liberty; from liberty to abundance; from abundance to selfishness; from selfishness to complacency; from complacency to apathy; from apathy to dependency; from dependency back into bondage.

Mr. Speaker, I would suggest today that if we are to keep Canada out of bondage, if we are to keep the Canada of the future free, if our children, our grandchildren, our great grandchildren and beyond are to enjoy the freedom and the quality of life that we enjoy today, we must do the honest thing, we must do that which is right and live within our means today, rather than mortgaging and placing into bondage future generations of Canadians. I believe that this budget is just one more step in the return to fiscal responsibility demanded by thoughtful Canadians everywhere, and it is the only way to maintain the good things that we all appreciate so very much.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I listened with interest to the hon. member's speech, and I noted that he was praising, of all things, the rather silly proposal by the Minister of Finance to introduce a bill to limit future governments so that they cannot spend money that is not included in the estimates. I presume that in his over–all figure, he is going to put a cap on government expenditures by legislation.

I assume that this rather ridiculous proposal is put forward in order to constrain his colleagues, who are such spendthrifts, and have been for the last six years of mismanagement that the country has had to endure. I wonder how he thinks in the first place that this bill can restrain Parliament from passing bills that approve further expenditure. It is perfectly obvious that this Parliament can change any act that it has already passed. This particular piece of legislation strikes me as a fine piece of talking material but nothing else. I suspect the minister included it in his budget so that the members opposite could run about the country saying how they had finally done something about the debt after six years of ignoring the problem.

• (1740)

The second question I would like him to answer deals with a similar proposal, and that is this debt reduction fund. I am delighted that the Minister of Finance has announced that the revenues from the GST will be applied to the deficit. After all, he is finally admitting that he has got to pay the interest on the national debt on a yearly basis. In his budgets he has bleated for the last several years about how he has got an operating surplus when we all know, an operating surplus when you do not pay your interest costs is not really a surplus at all, but the minister keeps insisting that he has discovered this and that he has got one. No other business in the country that I know of claims it has an operating surplus before it pays the rent or the mortgage except the Government of Canada under this minister.

Having said that, he now says that he is going to put this money from the GST toward deficit reduction, which I am sure all Canadians would applaud. But I am sure the hon. member would admit that the creation of this fund, as it is called by the minister, and trying to establish

a separate set of books for it, and all that silly nonsense is nothing more than a fraud on the taxpayers of Canada. Really what he is doing is saying: "I am only going to get $24 billion or so a year from the GST and my interest costs are $43 billion, so I am happy to apply all the money I get from the GST to the interest on the national debt".

Indeed, the hon. member for Delta knows as well as I do that he is going to have to put a good deal more than the money from the GST toward the national debt in order to balance the books. Perhaps he could tell us, and admit to the House, that these two proposals by the Minister of Finance are nothing more than window dressing designed to deceive the public.

Mr. Wilbee: Mr. Speaker, I thank the member very much for that important and probing question. I think that he is as aware as I am that Canadians have said that there is nothing that has controlled government spending in the past. As is mentioned in that letter from Mr. Halvorsen, once people learn that they can vote themselves goodies out of the public treasury, it means the loss of fiscal responsibility.

What the minister has done in this situation is try to re-establish fiscal responsibility, not only for the term of this Parliament but also in the future. Of course, the hon. member who asked the question is a constitutional expert and we respect his wisdom, but we need to recognize that any government that starts to spend as wildly as the previous administration did is going to face the wrath of the public. What we are hearing today from Canadians everywhere is to cut spending, not increase spending.

Again, I am sure that he heard as much as I did people saying: "We don't mind paying the GST as long as it is going to be used to reduce expenditures rather than starting new programs". This is exactly what the finance minister has attempted to do.

I am waiting as expectantly as the hon. member to see exactly the form of the legislation which he is proposing to bring forth. At this stage, this is what Canadians, I believe, want to hear. They do not want new programs as long as we cannot afford to pay for the ones that we already have. We need to get our finances in order so that indeed we are paying our way.

As I mentioned, we have mortgaged our children's future and many generations beyond that already. To continue on that path is complete irresponsibility. I think what the minister has done is try to tell Canadians that we are indeed a responsible government, that we have taken the right path, that we indeed are providing guidance for those who will follow us. We certainly believe that the citizens of Canada recognize that although the choices this government has made may not be popular, they are the right decisions. By the time the next election comes around and the spendthrifts would seek office again, the citizens of Canada will say: "Hey, we did not like it at the time, but these guys really knew what they were doing and they stuck to it even though people did not accept it."

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I have a comment and a question. I first want to congratulate my colleague from Delta on a solid and substantial contribution, a good common sense contribution to this debate and one that was most necessary.

It is quite evident to virtually every Canadian that the problem we face today is one which built up through the 1970s and indeed, through the 1980s, as a result of consistent government failure to take in enough revenue to cover programs and the continual shortfall. The deficits added up to the national debt we have today and the requirement to service that debt, to pay interest on it, which today is consuming something in the order of 35 to 38 cents out of every revenue dollar that comes in. Well, it is quite clear that leave perhaps 65 cents or less out of every revenue dollar to provide the services and the programs that Canadians have come to expect. Small wonder they are upset.

The problem is that for a number of years, through the 1970s and the early 1980s, perhaps Canadians were getting, whether they wanted it or not, $1.20 to $1.25 worth of government largess for every dollar of tax revenue that was contributed. The difference, of course, was being funded through endless borrowing. The credit card has run out. The spending has reached its limit.

What I am hearing from opposition members by way of criticism now is that somehow government today should ignore the realities, should ignore the experiences of the 1970s and the 1980s and continue to borrow more. Somehow we are supposed to go out and borrow even more money so that even more of the government's taxation revenue will be taken up in service charges, in paying interest on government debt.

In Question Period today, an opposition member said: "Let's get real". I just heard an opposition member suggesting that the caring and compassionate provincial government in Ontario was going to, undoubtedly, run up a huge deficit, and in doing so would not be looking after the problems of today on the backs of ordinary Canadians, or words to that effect.

I would like to ask my colleague from Delta, in light of past experience, how on earth can spending more and borrowing more today, be helpful. How in the world could that attitude be helpful, given the experience of the past.

The Acting Speaker (Mr. DeBlois): The hon. member for Delta, one minute.

Mr. Wilbee: I certainly agree with the hon. member's preamble about the lack of cohesion on the opposition benches. It was very interesting being home this weekend to hear the remarks of the people as they said: "What in the world are the opposition doing? I have not heard them talk favourably about reducing the deficit. They want to spend more money continually. They do not want to make any cuts anywhere. How in the world can we return to sound fiscal responsibility that is going to get our country out of this?"

I would certainly agree 100 per cent that there is no way that we can increase our spending and at the same time cut our income, reduce our taxation level, without getting deeper into the hole.

There was an interesting cartoon in one of the papers this morning of the Prime Minister on a cliff with a digger, and it said: "Dig deeper. Dig deeper". The hole represented the deficit. This is exactly what our opposition is doing, saying: "Dig deeper, dig deeper. Do not give us anything that is sound for the country".

The Budget

• (1750)

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, in his budget speech, the Minister of Finance, quite understandably, tried to make the case that there is no alternative to the government's economic policies. It is the government's way or the profligate spending of the opposition, just as had been suggested by the speaker who preceded me. It is this question which I wish to explore, namely, is there an alternative to the government's policy?

We, in our party, share the view of many Canadians that the federal fiscal deficit is a serious economic and political problem. Our leader notably did not make a single spending commitment in the leadership campaign last year. And I know that in the election campaign, which will come up in a year or two, he will present to Canadians a program that is fiscally responsible.

So we agree that the federal fiscal deficit is a problem. We also agree that achieving low levels of inflation is an important objective. There is no disagreement with these objectives.

The first question we must ask ourselves then is what is the government's record with respect to these objectives? The inflation rate today exceeds 7 per cent, compared with less than 4 per cent when the Conservatives first took office. The deficit is forecast to be $30.5 billion, which is $2 billion higher than the deficit forecast in last year's budget. Contrast this with the statement of the finance minister in his first budget in May 1985 that he would reduce the deficit by the end of the decade to $18 billion. He missed the mark by the small sum of $12.5 billion.

It is precisely because of the government's failure to achieve its objectives that many Canadians are having increasing doubts about the ability of the government of the Conservatives to manage the economy.

Our responsibility as an opposition is to remind Canadians that this government has failed to achieve its objectives to reduce the deficit and to control inflation and to suggest where the government may have erred.

To reduce the deficit, an appropriate balance is required between reduced expenditures, increased taxes and economic growth. It is generally recognized that the government did not do enough to cut spending in the years where the country enjoyed reasonably strong growth. On the contrary, the government relied heavily on tax increases. For example, in the April 1989 budget,

of the $9 billion in deficit-reducing measures introduced for the fiscal year 1990-91, $7.2 billion or four-fifths were tax increases and only $1.9 billion or one-fifth were spending cuts. It was these very tax increases that contributed to inflation.

In its 1990 Annual Report, the Economic Council of Canada observes:

> The main source of upward momentum in the rate of inflation since mid-1989 has been regulated prices, especially in the service sector. Included in this category are prices that are directly influenced by federal, provincial and municipal policies. The largest increases since early 1989 have affected gasoline prices, vehicle registration fees, tobacco and alcohol, public transportation and water rates.

In short, by persistently raising sales taxes, the federal government has been directly responsible for much of the inflation we are experiencing today in Canada.

A further point. Doug Peters, Vice-President and Chief Economist of the Toronto-Dominion Bank has also explained how monetary policy, rather than reducing inflation, has caused fiscal policy to increase inflation. As monetary policy tightens, as interest rates rise, fiscal policy eases and the deficit rises because of increased interest payments. In sum, high interest rates contributed to inflation and, of course, high interest rates have greatly increased the debt and the deficit.

Yet, despite this abysmal record, the government, in this budget, tells Canadians that it is staying the course with the policies that have failed so miserably in the past. The finance minister proposes to keep real interest rates at the historically high levels that we have seen in recent years.

On page 52 of the budget, Mr. Speaker, and I invite you to read this, the finance minister says that in the medium term, that is through 1996, and I quote:

> The real interest rate—the nominal rate adjusted for inflation—is expected to average about 4-3/4 per cent. This is similar to the average of the 1980s and about three percentage points higher than the average of the 1960s and—1970s.

It seems obvious to me, if it is not obvious to the finance minister and to the members of the Conservative party, that with real interest rates of 4.75 per cent we will not get the deficit down. This is not only because such high real rates increase interest on the debt, but because it will be impossible for the economy to grow with interest rates that high.

We must recognize that the whole budgetary policy of the government is premised on high economic growth, led by exports. High growth is required for the government to meet its deficit targets, reduce unemployment and raise living standards.

But nothing in the budget will promote that. Have Canadian exporters not been telling us that they cannot compete with the dollar at 88 cents U.S.? Yet the government says that it will keep the dollar at 88 cents U.S. by maintaining high real interest rates. How are we going to get increased exports? How are we going to get export-led economic growth?

It is time to recognize that the government has failed to achieve the objectives it has set for itself, namely reducing the deficit and controlling inflation.

To summarize the reasons for this failure: One, it failed to cut spending when it had the opportunity to do so; two, it relied far too heavily on tax increases, which in themselves were inflationary; three, monetary policy has been too tight, which has also contributed to inflation and the growing debt; and, four, tax increases, high interest rates and the high dollar have hurt our ability to compete and strangled exports.

Is there an alternative to this approach? That was the question I asked at the outset.

[*Translation*]

In its most recent annual review, the Economic Council of Canada explains that price stability should not be the only economic objective of the Bank of Canada and the government. There should be two objectives: price stability and full employment, and three means: a monetary and fiscal policy and a labour force policy.

According to the Council, if there is a lesson to be learned from the 80's economic policies, it is that fighting inflation exclusively through the monetary policy is very costly.

The Council emphasizes the experience of a number of European countries that have succeeded for close to twenty years in defeating inflation without creating unemployment.

The Council says there is no magic formula. However, those countries have certain things in common. First,

they committed themselves to full employment. Second, governments, employers and unions work hand in hand. The Council thinks it would be possible in Canada to co-ordinate better the economic policies of the federal and provincial governments and to bring employers and unions closer together. The Council's recommendations, I suggest, offer an alternative to the present policies of the Conservative government.

Mr. Speaker, it bears repeating that the Council has found in a number of European countries a commitment to full lemployment. That is particularly significant for us, Canadians. This government seems to be resigned to high unemployment. Indeed, he predicts an unemployment rate of 10 percent for this year and of 9.8 percent for next year.

I want to add a few words on the particular position of Montreal. The biggest concentration of unemployed in Canada is in Montreal, Mr. Speaker. They are 207 000 this year compared to 169 000 last year. And unemployment and poverty cannot be dissociated. Montreal has become the Canadian capital of the poor. There is more poor in Montreal than in all of the Atlantic Provinces combined, Mr. Speaker. It was recently said of Montreal, which was quite striking, that it is no longer possible to talk of it in terms of pockets of poverty but in terms of pockets of wealth since the whole city has become poor.

Mrs. Finestone: That is true.

Mr. Berger: What I am saying, Mr. Speaker, is that we must deal with the plague of poverty and the plague of unemployment. So let us add full employment to our economic objectives as suggested by the Economic Council of Canada. Obviously, the conservative budget completely disregards that recommendation of the Council.

• (1800)

[*English*]

In the budget, the finance minister announced that the government will "launch a national effort to build a new partnership for prosperity". He said: "As a first step, the government will release a discussion paper in the spring to help focus public debate about the problems we face and to try to develop solutions".

Mr. Speaker, you will forgive me if I say that these words ring rather hollow. It is now seven years since the Prime Minister made his commitment to double Canada's R and D effort by the end of the first mandate. He made that commitment in a speech to the *Chambre de commerce* in Montreal in March 1984 when he was Leader of the Opposition.

It is now seven years since that speech when, again, he committed to double Canada's R and D effort by the end of the first mandate.

As well, we remember the Prime Minister's words in his book, *Where I Stand*. He said: "Research and development and the resulting innovations are the lifeblood of a successful economy and country". The Prime Minister asserted that if the percentage of Gross Domestic Product allocated to research and development were increased by just 1 per cent, we would create in Canada one million jobs and $20 billion in additional sales of manufactured products.

In an effort to protect consumers, I suggest the publisher of the Prime Minister's book change the title to *Where I Stood*. That is because we know what has happened since 1984. The government talks a good game. It has introduced with much fanfare a number of high profile initiatives, but let us look at the other side of the ledger.

Total support for Canada's research and development efforts have actually declined, and I want to highlight a number of examples. First, the Conservative government has reduced support for research and development in industry. For example, highly successful procurement programs have been cancelled and the National Research Council's Industrial Research Assistance Program has been starved for funds.

This is the same program which is perhaps the most highly touted government program. It was even recommended by the Nielsen report for its effectiveness. It has been starved for funds.

Second, the government has cut transfer payments for post-secondary education and reduced over-all funding for vocational training.

Third, the government has decimated Canada's premier research organization, the National Research Council, and cut funding for government based research on the environment and alternative energy.

Fourth, it has cut the staff of the Science Council of Canada by half.

Fifth, with respect to university research, the government established the Centres of Excellence program but at the same time froze funding for the main sources of university research in Canada, the Federal Granting Council. It has ignored the recommendations of the Prime Minister's own blue ribbon committee, a committee which he chairs and announced with much fanfare several years ago.

He has ignored the recommendations of his own National Advisory Board on Science and Technology to double the funding to these granting councils.

Sixth, applied health care research is the last area to be cut by the Conservatives. This includes research into preventive health care, health promotion, disease prevention, workplace hazards and cancer prevention.

The government seems to have forgotten the old adage that an ounce of prevention is worth a pound of cure. They tell us that health care costs are rising too quickly. At the very same time, they cut funds for applied health care research and research into health promotion and preventive health care.

What is the bottom line of all these actions? It is the internationally recognized indicator of scientific activity that the Prime Minister referred to, namely the percentage of Gross Domestic Product allocated to research and development. Such spending in Canada has actually gone down since the government took office from close to 1.4 per cent of our Gross Domestic Product to 1.3 per cent of Gross Domestic Product.

The Prime Minister seems to have forgotten what he said in his book, *Where I Stand*, that just a 1 per cent increase in research and development spending would create in Canada one million jobs and $20 billion in additional sales of manufactured products. That percentage of scientific activity has gone down by 1 per cent, not gone up, not doubled as the Prime Minister promised in his speech in March 1984. This is at the same time that our major competitors continue to invest twice as much as we do in comparative terms and are increasing their spending.

An hon. member: Short-sighted promises.

Mr. Berger: We come back to the budget in which the Minister of Finance says that more needs to be done to assure our future prosperity. I quote from the minister's speech again: "We need to look hard at the quality of our investments in infrastructure, machinery and equipment, training and education, and research and technology". "There are signs," he said, "that in some areas, such as private sector spending on training and research we are not doing enough".

My reaction on reading the budget was, this is news to the Minister of Finance. For years, members of Parliament have heard from countless sources that we are falling behind in all these areas. From university teachers, university presidents, from students, from high school teachers, from business executives and workers, from union leaders, from the government's own advisory committees, the case has been made consistently and eloquently. Seven years after this government took office, it proposes to focus public debate on these issues.

Where has the government been for the past seven years? Has it not been the government's responsibility to take action in these areas, to show leadership, to do something about it? The debate the government proposes to engage Canadians now in is an admission of failure, an admission that we have lost seven years when this government should have taken steps to ensure that all Canadians receive quality education and that Canadians businesses do enough R and D. On the contrary, we have seen that all of their actions have defeated those very purposes.

On the very first page of his budget speech the Minister of Finance said:

> —we must deal with the world as it is, and not as we might wish it to be.

I have two comments to make about this. Again, it is now almost seven years since this government took office. It is responsible for the world as it is. The Canada of today is what it is in part because of the actions of this government. It is time, therefore, that the government assumed responsibility for the difficult economic circumstances we are experiencing in Canada today.

Second, when I heard the finance minister say, "We must deal with the world as it is", I could not help thinking that Bobby Kennedy put it somewhat differently. He said, as if we need to be reminded, that "Some

people see things as they are and ask why. I dream things that never were and ask why not". What a contrast. When the finance minister of Canada says to Canadians is: "Don't dream, don't be ambitious, accept the world as it is with all of the calamities that this government has visited upon you".

Liberals have a different view of things. We believe that we can build a better world. We believe that we can build a better Canada. Canadians believe that collectively we can build a better world and a better Canada. This is what we should be setting our sights on doing.

• (1810)

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I listened with interest to my hon. friend and indeed appreciate the position that he put. I think all Canadians would wish for more funds for education, more funds for R and D, and indeed more funds for many worth-while causes. I do not think anyone would seriously quarrel with those suggestions.

What I would like to ask my hon. friend is: How can we manage to achieve these things, given the mountain of debt that we have and the requirement to pay interest on it? There is no use going back into the why and the cause of that. We know what the amount was in the spring of 1985, at the end of the last fiscal year of the previous Liberal government, and we know the effects of compound interest on that.

The fact is that interest has to be paid on it and, to the extent that it is, it takes away from the ability of any government to have the funds necessary for those other things which we would all like to have.

The hon. member refers to dreams. It is good to have those and it is good to have wishes, but we cannot simply wish away the debt and we cannot wish away the requirement to pay interest on it.

In order to fund all these things that the hon. member would like to have, what other programs would he cut out and, if he is not going to cut out any programs and reduce spending at all, what increases would he bring forward by way of taxes? What tax measures would he introduce in order to be able to find the funds necessary?

Mr. Berger: Mr. Speaker, I thank the hon. member for his question. He asks me how we would provide more funds for education and research and development, how we would find these funds.

I find it somewhat perplexing that a member of the government is asking a member of the opposition how to find more funds for education and research and development.

An hon. member: With a straight face too.

Mr. Berger: With a straight face, as my colleague reminds me. It seems to me that this government should have some ideas about how we could find funds for education and research and development or how we could stimulate the private sector to put more money into training.

While I am on it, there was the de Grandpré commission which had to look into the question of adjustment to the free trade agreement and made a whole number of recommendations which this government have ignored. If he wants to find some answers, he might look at some of the recommendations of the de Grandpré commission.

I would like to suggest to the member that he was not listening really to my speech, because in it I said that to reduce the deficit we need a balanced approach which combines spending cuts, tax increases and economic growth. This government seems to have forgotten that one way to reduce the deficit is to make the country grow. I want to put it to him that the budget tabled in this House last week by the Minister of Finance will not accomplish those objectives.

I would like to read to him from a budget analysis prepared by the Toronto-Dominion Bank, Department of Economic Research: "The main problem of this budget is that it addresses none of Canada's major economic problems. Spending cuts and major tax increases such as the 25 per cent rise in unemployment insurance premiums for both business and employees will not only prolong this recession but will themselves defeat Mr. Wilson's deficit reduction objectives".

What I am saying to the member is that it is time that he and the members of his party and the Minister of Finance owned up to their failure to achieve the objectives that they set for Canadians, namely to reduce the deficit and the debt and to control inflation.

The Budget

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the previous speaker mentioned that there were three ways of dealing with the deficit: cutting spending, increasing taxes, and stimulating growth. I would not disagree with those but I think he has missed a couple of very, very critical ones. One, is stopping the tax loopholes for the large corporations, the tax concessions which are a major part of the reason we are into debt.

If the Tory government has not reduced the tax load for its friends, had not left the loopholes that the Liberals had put in place, there would be substantial reduction in the debt.

Also the member forgot to mention interest rates. My calculations are if there was a 4 per cent difference in interest rates on $400 billion that would be a saving of $16 billion right there.

I would like the member to comment on those two additional areas, the fiscal policy of this government that I think is responsible for a large percentage of the current deficit, and what steps they need to take to ensure that we are not simply compounding it with continued high interest rate policy.

Mr. Berger: Mr. Speaker, the member who I believe is a member of the New Democratic Party, if I am not mistaken—

An hon. member: Yes, he is.

Mr. Berger: —talks about stopping tax loopholes. It is really remarkable how the NDP talks out of both sides of the mouth on this question. They say that they are interested in promoting economic growth, yet rail against tax incentives which have as their purpose to encourage businesses to invest in research and development, or training of workers, or capital investments of one kind or another.

I do not think the member recognizes or remembers that this government has indeed cut out some tax incentives which stimulated economic growth. Several years ago they passed a law which, for all intents and purposes, meant that companies that invest in R and D could no longer deduct the cost of buildings in which they do their research for tax purposes.

Can you imagine that, Mr. Speaker? A company has got to do research and development and they have a lot of sophisticated equipment, computers, et cetera, and they cannot put them anywhere because the Income Tax Act which the Conservative government has passed does not allow them to claim an expense for the building that they have to have this equipment in.

I remember the reaction of Jean de Grandpré who, at the time, was president of Bell Canada Enterprises which is the parent company of perhaps Canada's only multinational company doing world-class research, namely Northern Telecom and Bell Northern Research. He said that this tax change initiated by the Conservative government would result in Northern Telecom doing research in the United States. This is exactly what is happening.

Is that the kind of tax loophole that the member for the NDP wants to see eliminated?

• (1820)

I get the impression from listening to the New Democratic Party that they want the Conservative government to continue cutting tax incentives which would stimulate economic growth and provide jobs to Canadians. It would seem to me that one of these days they have to fish or cut bait and tell Canadians where exactly they stand on these questions.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for Abitibi.

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am pleased to take part in this budget debate. To begin with, I would like to say concerning transfer payments, that the federal government is trying to increase its control over its own program spending. It is not always easy. For instance, the Canada Assistance Plan is administered by the provinces as long as they satisfy certain conditions. The federal government has to match the provinces' contributions, and has consequently no control over these outlays.

One of the things we noticed in this year's federal budget is that Val-d'Or, in Abitibi-Témiscamingue, will be the site of a research centre called CANMET. No one has ever seen liberal members, nor the NDP, or members of the Bloc Quebecois—members from the province of Quebec—try to obtain the establishment of such a mining research center in the province of Quebec.

What has been done these last few years, especially the last two? It is with the help of economic and political representatives of our region, like the development corporation, CERDAT and the mining association of Quebec that we won the battle. I am proud of it because

this project will bring 15 million to the region over 5 years, starting this year.

Mr. Speaker, the spending control plan announced in last year's budget will be extended for the next three years. The Prime Minister's salary as well as that of all Cabinet ministers will be frozen. New limits—limits only—will be imposed on the salaries of the members of Parliament and senators. As far as I am concerned, they could have been frozen as well, I would have been glad to oblige.

Mr. Speaker, we bandy about a lot of figures. In all the speeches we heard, everyone, in the government as well as in the opposition, threw in a bunch of figures on the budget. I would like to tell the Canadian people, and more particularly the Quebec people, what I have done to try and reduce my expenditures as a member of Parliament. Often, in Abitibi, we attend social functions with senior citizens or young people who tell us how we should cut expenditures in Parliament. As we know, they total about $240 million for this House and another $40 million for the other place. Tonight, my speech is directed at all members of Parliament: conservatives, liberals, NDPers and members from the Bloc Quebecois. I guess we could call it, as the members from the Bloc Quebecois would say, a non-partisan speech.

Before issuing this release following the presentation of the Estimates on February 26, 1990, I had communicated some information to the media and said that, I for one, would be ready to restrict my privileges as member of Parliament. Members of Parliament are entitled to four free householder mailings a year to their riding. I checked what could be saved by applying mainly the restrictions imposed in 1990 by the hon. Robert de Cotret on the printing of the documents for such mailings, when he was the President of the Treasury Board, but the saving was insignificant.

For example, in 1989, I mailed a 44-page calendar which cost $9,000 for printing alone. Preparation and photomechanical reproduction costed $1,000 and mailing through Canada Post, $2,500. The total cost of this householder mailing to my riding was $12,400. Following the February 20, 1990 Budget, I had told a radio announcer from Radio-Nord, in Val-d'Or, that the Minister of Finance of Canada should, among other things, cut the number of free householder mailings Federal members of Parliament are allowed to make from four to a one only a year. The savings to the Canadian people would be $8.8 million if all conservative, liberal and new-democrat members joined in this effort. Personally, as a Conservative member from a northern riding, I decided to inform my constituents that I would send only one householder a year, not because I don't feel like sending four, but I say we have to cut expenses. People are told they have to pay taxes, and the government is cutting programs. For instance, at the time they cut a program that enabled students to travel across Canada. I told my constituents I was going to cut down to one householder and that I would no longer be sending 2,000 Christmas cards every year, and there would be no more birthday cards for my constituents. My message was: The government is asking Canadians to tighten their belts. I think it is only fair that as the federal member for Abitibi, I should cut my own spending and set an example for my constituents.

In May 1990, a new directive was issued concerning our 64 points for travel in Canada. We have a points system. Instead of money, we have a certain number of points for travel to our ridings. A directive issued by a committee said that spouses would be allowed the same number of points to go anywhere in Canada. That was one of the privileges, and I immediately objected. I wrote to the Speaker of the House of Commons, Mr. Fraser, and he said the following:

> I understand that this new provision will help ease some of the professional and family pressures on members. In the case of large ridings without easy access, members and spouses will be able to travel more readily and more frequently within their province, while formerly such trips were designated as special travel.

That is one of the measures to which I objected. However, to show my constituents what my expenses were as a member, I told them in a statement in the House of Commons on November 22 1990, about my travel expenses in the riding of Abitibi, which is quite considerable and covers 554,000 square kilometres, from September 1984 to March 31, 1990:

> —my travelling expenses in Abitibi and elsewhere in Canada amounted to $180,804, or $32,382 a year on average.

If I had applied all 64 points within my riding, to go to the northern part of the riding, it would have cost me $2,500 each trip, or $160,000 a year. I refer also to householder mailings, how much it cost me since 1984,

for 26 mailings: $155,000. And I explained how I proceeded to send my Christmas wishes to my constituents, by making a statement in the House of Commons, for a saving of $15,000.

On December 12, 1990, I wrote to the Speaker of the House of Commons asking him to change the Members' Manual of Allowances and Services. I wrote:

> There is no doubt that Canada is going through difficult economic times and it is essential to ensure good management of the expenses in the House of Commons as well as in Canada.
>
> We must take measures to reduce substantially the expenses (privileges) of the federal Members of Parliament in Canada and to cut by 20 per cent the estimates of the House of Commons in Ottawa for 1991–92.
>
> We all know that for several months budget cuts and even total cuts have been made which have affected various programs and caused difficulties to many organizations.

The example I was referring to earlier:

> (student exchange programs, women's issues, etc.)

Since the federal government is committed to spending restraint, members must do their share even if this creates some difficulties.

I know that some changes have been made already but I think sincerely that more can be done, including in allowances and services to members.

My suggestions to the Speaker of the House of Commons were the following:

> The system of the 64 travelling points allowed to members. Each member is allowed, by periods of 12 consecutive months, a total of 64 points which he or she can use as follows:

I suggested to come back to the old system and not give the 64 points at large, which means across Canada. I told the Speaker: "Let us come back to the old system and keep the 64 points directly for the return trips to constituencies."

> Allocate 15 of the 64 points to dependent children for return trips between the constituency and Ottawa.
>
> Allocate 9 of the 64 points to his or her staff for return trips between the constituency and Ottawa.
>
> 2) Special trips
>
> Members can use 20 of these 64 points for return trips between Ottawa and the constituency or any other destination in Canada for a direct flight with short stops to the destination city (which means that they cannot have several stopovers on their way there, except in case of emergency).
>
> B–DESIGNATED MEMBERS OF THE FAMILY
>
> Members who want that some of their relatives enjoy those travel as provided by the 64 point–system can do so by designating one of the following categories to that end: children (son, daughter), parents (mother, father)

• (1830)

And most of all, I wanted to do away with the designation of all other family members and the printing of householder mailings; I wanted to substitute the following for Chapter F–3 of the *Members's Manual of Allowances and Services*, that is, the printing of only four householder mailings and/or letters, foldout format brochures, postal cards, questionnaires be allowed to be mailed within the riding of the hon. member, that such four householder mailings be printed and sent at the rate of one (1) every three months for a total of four mailings a year to prevent the sending of two or three newsletters the same month.

Concerning another chapter on printing, I proposed to allow the mailing of only 10 per cent of a householder within the riding of a member.

As for Christmas and New Year greetings containing a message from Parliament, instead of allowing the printing 2,000 cards, I proposed to limit that number to 500, and that any overrun be applied against the member's budget.

In a letter to Speaker Fraser about stationary and office supplies, I said that quotas should be applied on all stationary and desk supplies, as of January 1 1991, and that once these quotas were used, any requisition for stationary or office supplies would be charged against the Main Estimates after a review by the Board of Internal Economy of the House of Commons (quota for the office of members of the House of Commons).

Financial reports to members: That the travel summary—64 points system—mention the travel costs for each trip and that it be cumulative. One other thing: That the funds allocated to subsidies and contributions to parliamentary associations and delegations be further reduced by 10 percent each year in 1990–91, 1991–92 and 1992–93. All members should coordinate their efforts towards such a reduction for a period of three (3) years.

I have received a response to my letter dated December 13 to Mr. Speaker, who always answers to me promptly, and here is what it says: "I want to thank you for your letter and your suggestions concerning some modifications to be made to the Members' Manual of

Allowances and Services in order to reduce the House of Commons expenditures. The Board members studied your proposals and agreed to ask members of the Standing Committee on Management and Members' Services to examine them and to give their comments and recommendations." That was back in December, but since that time, I did not receive anything from the Committee on Privileges and Elections. It has been silent. I did not receive any letter from that committee.

I have a really important thing to say: when I started examining that matter, Mr. Speaker, what I really liked was that, immediately after Tuesday December 18, Bill C–79 was tabled before the House of Commons and one of its clauses that many of us are aware of read: Disclosure of expenditures. After thoughtful discussion, the committee recommended a more detailed disclosure of expenditures directly related to members of Parliament. Canadians are entitled to know just how elected MPs spend their tax dollars.

In a spirit of financial openness and transparency we will therefore have to tell the public what use we make of these funds. However the committee is still not sure what is the best way to proceed. What is known is that we will have to strike a proper balance between the principle of financial transparency and the principle of parliamentary independence. The information has to be sufficiently detailed, but not to the point of losing sight of the basic issue. We will also have to respect the right to privacy of the employees and the privileges of hon. members. We ought to give serious consideration to every facet of the release of these data and to the procedural aspects of the discussions.

Mr. Speaker, on January 11 of this year 1991 I held a press conference in my riding and told local media representatives that I, Guy Saint-Julien, Member of Parliament, will make public all expenses incurred in 1991 in the discharge of my parliamentary duties, including my privileges as a member.

I said that I had tabled a letter in the House of Commons, that I had told the Speaker that I would make a quarterly report to my constituents so that indeed Canadians and Quebecers would know about all my privileges, that is all the expenses for my Ottawa office and my riding offices, and all the expenses incurred for my work as a Member of Parliament such as parliamentary travels, travels as member of parliamentary associations or parliamentary and government delegations, trips paid for by Canadian or foreign promoters and all the expenses allowed by my privileges; I would disclose them every three months, four times a year to my constituents. I wanted to take these steps for the purpose of reducing the many privileges granted to hon. members, as I did last year after Michael Wilson tabled his Budget on February 20, 1990. I said in my statement:

> It is essential for him to control expenditures out of public funds, in view of the Federal Government's sustained commitment to limit its expenditures in departments, Crown corporations, programs, etc.
>
> Abitibi men and women have the right to know how their elected representative spends the money they give him.
>
> In a spirit of financial openness and transparency, following the tabling by Hon. Marcel Danis on December 18, 1990 of the Sixth Report of the Special Committee responsible for looking into Bill C–79 on the Parliament of Canada which deals for instance with the disclosure of expenditures.

That is what I had decided to do for my constituents a long time before last week's budget.

I wrote to the Speaker to know how I could find out about all my expenses both in this place and in the Senate. I asked the Speaker concerning the production of an expenditure report:

> The Comptroller of the House advises me that he is not in a position to provide such financial information as requested in your letter.
>
> Beside the expenses incurred directly by your offices (Ottawa and riding), the House of Commons is not responsible for keeping data about the various costs of each hon. member. Translation expenses are paid by the Secretary of State without going through the House. Likewise, most of telecommunication costs paid by the House are provided to all hon. members. It would be impossible, therefore, to provide you with the total expenses incurred by your offices, or to ensure their correctness, because organizations outside of Parliament pay some of these costs.

Then he referred to the Act of Parliament and so on and so forth. I still continue my efforts with a view to finding a way to obtain data concerning all my expenses which I want to disclose every quarterly to my Abitibi constituents.

There is another point I would like to make, Mr. Speaker which is not mentioned in the Budget. It concerns mostly one of the issues contained in bill C–79, that is, the joint services offered to both Houses.

> While examining the House of Commons administrative machinery, the committee realized that there is a lot of duplication between both Houses. Most services this House needs are also needed by the Senate. The committee believes that we could save public funds if we rationalized administrative services with a view to a better coordination. The committee however recognizes the importance of safeguarding the independence of each House. Within the scope of its proceedings, the committee will discuss the process needed to ensure consideration of these matters.

Mr. Speaker, before January 30, I wrote to the chairman of the Committee who had this to answer:

> I appreciate your interest in the proceedings of the Special Committee on the Review of the Parliament of Canada Act.

He added:

> Unfortunately, I cannot give you a list of joint services offered to both Houses. I do not know if such a list exists. For more information, I suggest you write to the Administrator of the House of Commons, Mr. Ed Riedel, or the Clerk of the Senate, Mr. Gordon L. Barnhart. Both of these gentlemen or at least one of them should be able to provide you with a complete list of these services.
>
> Finally, members of this Committee seem convinced that better coordination of services offered to both Houses would improve our administrative efficiency. However, our Committee did not look into this matter in detail; instead, we called upon the experience and knowledge of our members and personnel.

I see, Mr. Speaker, you are telling me I have two minutes left. One more point about joint services. I went to the basement once to buy some stamps and I stopped at the wrong counter. I was at the Senate post office. As a member of this House, I do have to buy my own stamps in order to pay my bills. They would not let me buy stamps. They told me I was at the wrong counter, to go to the members post office. If we were to combine these two services in one, we would save money. Messengers of both Houses, production, publications, maintenance, cleaning, security, translation, distribution, postal service, general works, purchasing branch, transportation, nobody can produce a list, but I just did. I have given you the list. That is where we should save. We would save millions of dollars. If all those services were put together, we could save maybe $20 million between the two Houses.

I am pleased I have one minute left, Mr. Speaker. I wrote the two persons concerned and asked one thing. On February 19, I wrote the Speaker the following:

> —I ask that a joint committee be struck as soon as possible to establish a joint administration of both Houses for the services they have in common—

And so on, all the services I will mention to you.

• (1840)

Mr. Speaker, I conclude in saying that I acted that way because I felt it was important. The people of Canada, the people from my constituency are told to tighten their belts. Companies, since a few months, are cutting their expenses, and wherever they can, they are imposing quotas. My speech tonight, a non partisan speech, contained two points to remember, namely the quarterly publication of members' expenses, starting in 1991 and continuing in the following years, and then a joint committee, of the House of Commons and the Senate, to coordinate the services of these two houses, thereby allowing savings of public funds.

I hope that all the members have understood my message.

The Acting Speaker (Mr. DeBlois): Questions or comments. The hon. member for Saint–Léonard.

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, I see that my colleague is very keen on cutting expenditures. I am sure that his suggestions will be studied by the various committees, like the Management and Members' Services Committee and the Board of Internal Economy.

However, Mr. Speaker, I would like to address the budget, because that is what we are debating today. I would like to ask my colleague from Abitibi, who is so keen on cuts, whether he did the same exercise with the government and its Estimates. The Estimates, tabled two days after the budget, show $3 billion spending for the government, including advertising, public relations and the like. Three billion dollars. At a time when we are asking Canadians to cut on health care, when we increase unemployment insurance premiums, when we cut on housing for the homeless and on education, it seems to me that we could have cut in these three billon for advertising.

So, I was wondering whether the hon. member for Abitibi also wrote to the Minister of Finance to ask him to do something about that. Mr. Speaker, rich or poor, you don't know when you are going to require health care. When you are sick, you are sick. So, if you curtail health care for the poor, you should also be able to curtail the advertising budget of the government. Millions of dollars are being spent on promoting the GST and on a number of other programs.

So, for all that, I will leave time to my colleague in order that he can answer. I know there are a few minutes left, but it is time any way, Mr. Speaker. If the government claims that cuts must be made, if it begs everybody to tighten one's belt, it must not do it at the expense of the needy, but rather begin by doing it to itself. I know the government needs advertising since it is so low in the opinion polls, but I am under the impression that even if it doubled the sum it spends on advertising, that is $6 billions instead of the $3 billions now available, it would not be better off, since the government itself is finished. So, maybe it could cut the $3 billions in advertising expenditures. That would allow it to reduce the debt of an amount of $3 billions and would leave untouched the social programs which are necessary for the poor.

The Acting Speaker (Mr. DeBlois): The hon. member for Abitibi has one minute and a half left.

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, it will be a pleasure to respond in one minute and a half. I knew he would not ask any questions about what I said.

Mr. Prud'homme: Do all members of the Quebec caucus agree with you?

Mr. Saint-Julien: I will let you speak if you want to. About members from Quebec, I said what I had to say quite frankly. You do not even have the courage to ask me questions about what I said in my speech.

The hon. member asked me questions about cuts in publications. He should start by doing that himself in his constituency. As I said earlier, I did it in my riding: householders were cut from four to one. I want to say that I already wrote to Treasury Board about that. All members receive in their offices nice glossy brochures from Petro-Canada, nice colourful folders from government departments, et cetera. I wrote to Treasury Board to ask them to do as they do in Quebec, in two colours, with the Quebec flag and the Canadian flag. But you did not dare—

[*English*]

The Acting Speaker (Mr. DeBlois): Order, please. It being 6.45 o'clock p.m. it is my duty pursuant to Standing Order 84 to interrupt the proceedings and put forward every question necessary to dispose of the amendment before the House.

The Budget

[*Translation*]

The question in on the amendment of the hon. member for Windsor West.

Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those in favour will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

The House divided on the amendment, which was negatived on the following division:

(*Division No. 391*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Assad	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Berger
Black	Blondin
Boudria	Callbeck
Copps	Crawford
de Jong	Dingwall
Dionne	Duhamel
Ferguson	Finestone
Fisher	Flis
Fontana	Gaffney
Gagliano	Gardiner
Gauthier	Gray (Windsor West)
Grey (Beaver River)	Harb
Harvard	Harvey (Edmonton East)
Hopkins	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kristiansen	Lapierre
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacAulay	MacLaren
MacWilliam	Maheu
Manley	Marleau
Mifflin	Milliken
Mills	Mitchell
Nault	Nunziata
Pagtakhan	Parent
Parker	Phinney
Proud	Prud'homme
Riis	Rocheleau
Rodriguez	Rompkey
Simmons	Speller
Stewart	Stupich
Taylor	Vanclief
Waddell	Whittaker
Wood	Young (Acadie—Bathurst)—78

NAYS

Members

Anderson
Atkinson
Belsher
Bjornson
Blais
Bouchard (Roberval)
Boyer
Browes
Cardiff
Chadwick
Clark (Brandon—Souris)
Collins
Cooper
Corbett
Couture
DeBlois
Della Noce
Dick
Domm
Duplessis
Epp
Feltham
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hockin
Holtmann
Hudon
Jelinek
Koury
Langlois
Layton
Andre
Beatty
Bertrand
Blackburn (Jonquière)
Blenkarn
Bourgault
Brightwell
Campbell (Vancouver Centre)
Casey
Charest
Clifford
Cook
Corbeil
Côté
Darling
de Cotret
Desjardins
Dobbie
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau
Guilbault
Halliday
Hawkes
Hogue
Horner
Hughes
Kempling
Landry
Larrivée
Lewis
MacDonald (Rosedale)
Malone
Martin (Lincoln)
Mayer
McDermid
McLean
Monteith
Mulroney
Paproski
Porter
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Venne
Vien
Wilbee
Assiniboia)
Winegard
Loiselle
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Nicholson
Plourde
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Soetens
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Weiner
Wilson (Swift Current—Maple Creek—
Wilson (Etobicoke Centre)
Worthy—125
Lopez

[*English*]

Mr. Speaker: I declare the amendment lost.

It being 7:15 p.m., this House stands adjourned until tomorrow, at 11 a.m. pursuant to Standing Order 24(1).

The House adjourned at 7:15 p.m.

HOUSE OF COMMONS

Tuesday March 5, 1991

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

SUPPLEMENTARY ESTIMATES (C)

EXPLANATORY STATEMENT BY PRESIDENT OF THE TREASURY BOARD

A message from His Excellency the Governor General transmitting Supplementary Estimates (C) for the fiscal year ending March 31, 1991, was presented by the President of the Treasury Board and Minister of State for Finance and read by Mr. Speaker to the House.

[*English*]

REFERENCE TO STANDING COMMITTEES

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to move, pursuant to the provisions of Standing Order 81(5) and Standing Order 81(6):

That the Supplementary Estimates (C) for the fiscal year ending March 31, 1991, laid upon the table this day, be referred to the several standing committees of the House as follows:

[*Translation*]

Since the list is long and detailled, I would ask that it be printed in *Hansard* at this point without being read.

Mr. Speaker: Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: List referred to above is as follows:*]

To the Standing Committee on Aboriginal Affairs

Indian Affairs and Northern Development, Votes 1c and 15c

To the Standing Committee on Agriculture

Agriculture, Votes 1c, 5, 15, 20c and 40c

To the Standing Committee on Communications and Culture

Communications, Votes 1c, 10c, 30c, 46c, 47c, 67c and 72c

Secretary of State, Votes 1c, 5c and 35c

To the Standing Committee on Consumer and Corporate Affairs and Government Operations

Consumer and Corporate Affairs, Votes 1c and 35c

Parliament, Votes 1c and 2c

Privy Council, Votes 1c and 5c

Public Works, Votes 5c, 10c, 16c and L17c

Secretary of State, Votes 25c and 26c

Supply and Services, Votes 5c and 10c

Treasury Board Vote 15c

To the Standing Committee on Energy, Mines and Resources

Energy, Mines and Resources, Vote L15c

To the Standing Committee on Environment

Environment, Vote 15c

To the Standing Committee on External Affairs and International Trade

External Affairs, Votes 1c, 10c, L13c, 20c, 35c and 65c

To the Standing Committee on Finance

Finance, Votes 1c, 13c, 20c and 25c

National Revenue, Votes 1c, 5c and 10c

To the Standing Committee on Forestry and Fisheries

Fisheries and Oceans, Votes 1c and 10c

Forestry, Votes 1c and 10c

To the Standing Committee on Human Rights and Status of Disabled Persons

Justice, Vote 10c

To the Standing Committee on Justice and Solicitor General

Justice, Votes 5c, 15c, 20c and 40c

Solicitor General, Votes 10c and 25c

To the Standing Committee on Labour, Employment and Immigration

Employment and Immigration, Votes 1c, 6c, 10c, 17c and 20c

Labour, Vote 15c

To the Standing Committee on National Defence and Veterans Affairs

National Defence, Votes 1c, 10c, L11c and 20c

Veterans Affairs, Vote 1c

To the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women

Employment and Immigration Vote 35c

National Health and Welfare, Votes 1c, 5c, 15c, 30c and 35c

To the Standing Committee on Industry, Science and Technology, Regional and Northern Development

Atlantic Canada Opportunities Agency, Votes 1c and 5c

Indian Affairs and Northern Development, Votes 30c, 35c, 40c, 45c and 50c

Industry, Science and Technology, Votes 40c, 70c, 75c and 80c

To the Standing Committee on Transport

Transport, Votes 1c, 2c, 18c, 20c, 25c, 40c and 45c

That the Privy Council Vote 20c be referred to the Standing Joint Committee on Official Languages; and

That a message be sent to the Senate to acquaint Their Honours thereof.

Motion agreed to.

* * *

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 49 petitions.

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

• (1110)

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition, pursuant to Standing Order 36, on behalf of a number of constituents from Kamloops, British Columbia.

They are very hopeful and optimistic people because they are calling upon the government to withdraw the goods and services tax. I guess they never give up, and I applaud them. They can hang in there, Mr. Speaker, and one day, who knows?

On behalf of those constituents, they are asking the government to reconsider the implementation of this tax.

COMMEMORATIVE STAMP

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I have the honour and duty, pursuant to Standing Order 36, to present the following petition signed by constituents in Hamilton, Stoney Creek, and Burlington.

They believe that a great woman, Marie Sklodowska-Curie, be honoured for her scientific contributions to humanity. They believe that the gift of the discovery of radium to heal the sick of the world deserves to be recognized by Canada.

The petitioners humbly pray and call upon Parliament to honour Marie Sklodowska-Curie by issuing a commemorative stamp on the occasion of the 125th anniversary of her birth, November 7, 1992.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, I too have similar petitions to that of my colleague from Hamilton. These are signed by petitioners from Toronto and the Ontario region. They too call upon Parliament to urge this government to strike a stamp in honour of Marie Sklodowska-Curie.

Many countries around the world have already issued stamps to honour Madam Curie's scientific contribution to humanity. It is time that Canada gave like recognition. If present guidelines do not allow the selection committee to recommend such a stamp, then the government should change the guidelines.

It is an honour for me to present them today in the week when we will be celebrating International Women's Day on Friday.

GOODS AND SERVICES TAX

Mr. Rex Crawford (Kent): Mr. Speaker, once again, I am honoured to rise in the House, pursuant to Standing Order 36, with a petition from constituents of my riding who are still fighting the GST.

They state that this will hit them not only with higher taxes, but with higher inflation, higher interest rates and higher unemployment, which has been proven out in the last few months.

[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, pursuant to Standing Order 36, I wish to table a petition from the people of Sainte-Gertrude, in the Abitibi, who demand that the government of Canada abandons its plans to

build a parking garage and a shopping concourse under the Parliament of Canada, recognizing that the environment as well as the historical character of the Hill and its buildings must be preserved.

[*English*]

PETRO-CANADA

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to rise, pursuant to Standing Order 36, with eight petitions from my constituency of Kootenay West—Revelstoke. The petitions have been certified correct as to form and content.

The petitioners are asking Parliament either to defeat or repeal Bill C-84, an act respecting the privatization of the national petroleum company of Canada, and to keep Petro-Canada as a Crown corporation acting in the best interests of all Canadians.

The petitioners come from a wide variety of communities throughout the West Kootenays: the cities of Castlegar, Nelson, Rossland, Trail; the villages of Fruitvale, Caswell, Montrose, New Denver, Salmo, Slocan and Silverton; and the communities of Blueberry, Robson, Slocan Park, Winlaw and Argenta.

There is also a small number from Penticton, British Columbia, Toronto and Ottawa.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, Question No. 446 will be answered today.

[*Text*]

TREASURY BILLS

Question No. 446—**Mr. Rodriguez:**

How many Treasury Bills were purchased by banks and financial institutions in Canada between 1980 and 1990?

Hon. Michael Holcombe Wilson (Minister of Finance): Approximately $33.6 billion, on a net basis, in Government of Canada Treasury bills were purchased between the first quarter of 1980 and the third quarter of 1990 (data for the fourth quarter of 1990 are not yet available).

Financial Institution Inflows of Treasury Bills

1980: Q1 to 1990: Q3

($ millions)

Sector	Amount
Chartered Banks	6331
Quebec Savings Bank	-1
Credit Unions & Caisses Populaires	2460
Trust Companies	6240
Mortgage Loan Companies	1146
Life Insurance Companies	1063
Life Insurance Segregated Funds	652
Trusteed Pension Plans	6847
Investment Dealers	2202
Mutual Funds	3054
Property & Casualty Insurance	907
Consumer Loan Companies	268
Accident & Sickness Insurance	230
Other (not elsewhere included)	603
Federal Crowns (Finance)	32
Provincial Crowns (Finance)	1596
Total	**33630**

(Source: Statistics Canada, Financial Flows Accounts)

[*English*]

The Acting Speaker (Mr. DeBlois): The questions as enumerated by the parliamentary secretary have been answered.

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

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1991–92

MEASURE TO ENACT

Hon. Barbara McDougall (for the Minister of Finance) moved that Bill C–97, an act to provide borrowing authority, be read the second time and referred to a legislative committee.

She said: Mr. Speaker, I am very pleased to open this debate today on Bill C–97, an act to provide borrowing authority. I should say as a member of the cabinet that it was the borrowing authority bill which was one of my first duties in this House in 1985. I am delighted to be able to introduce this legislation again today, a very important part of government operations.

To begin, it is important to set this bill in the right context, and that is in the context of the economic policies of the government as they were set out last week in the budget speech of the Minister of Finance.

[*Translation*]

That Budget Speech set out a plan for economic recovery that will lead this country to further growth and renewed prosperity. The key to that recovery is lower interest rates, interest rates which will encourage economic activity.

[*English*]

We are going to bring about those lower rates by doing three things that were identified last week in the House by the Minister of Finance: first, we are going to set clear, achievable inflation targets; second, we will move government finances along the way towards a balanced budget; and, third, we will severely restrain government operations.

Together, these proposed measures are a commitment to effective government management and control, something which will serve Canada well for years to come and which we have followed since we were in office, following many years of neglect.

These measures will tightly control spending. Program spending will be limited to 3 per cent growth per year after 1991–92. They will hold the deficit to $30.5 billion this year and next and, in 1992–93, reduce it to below $25 billion for the first time in a decade. The measures will enable the government to eliminate new federal borrowing in financial markets in 1993–94.

In other words, as we look at the bill before us, we should keep in mind that the measures in this budget will substantially reduce the amount of borrowing authority which the government will need in the future.

The subject of government borrowing, a very important one, naturally brings to mind two things which we should consider: the public debt and the deficit. In past periods of recession, governments have typically resorted to additional spending, and suspended their concern about the government's fiscal position. Members opposite who would have us do the same thing today ignore the fact that, in those earlier times, the government was not carrying the burden it does today, a burden of 20 years of persistently high deficits and accumulating debt because Liberal governments increased spending not only in difficult times, to meet emergencies and to promote economic growth, but also in good times instead of cutting back.

• (1120)

I am reminded of the biblical story of the seven years of famine and the seven years of feast when one has to save for the bad times. It is worth remembering that an increase in spending above that proposed in the budget would be directly reflected in the amount of borrowing authority requested in this bill.

An hon. member: I remember the good old days.

Mrs. McDougall: Oh, yes. The good old days that led us into the trouble that we are in today.

Our public debt is forecast to reach $400 billion by mid–year. The interest cost alone will amount to more than $43 billion next year, more than is spent on old age security, unemployment insurance, and family allowances combined.

[*Translation*]

Our government has been responsible in its approach to this problem. Since coming to office in 1984, we have waged a difficult battle to reduce the deficit and increase our control over the debt. Progress has been made. We have substantially reduced the growth of the debt, and we have halved the deficit as a proportion of national income.

In 1989, the Minister of Finance set out a medium-term fiscal goal of bringing new government borrowing in financial markets to an end by 1994-95. This would be achieved by sharply reducing the deficit. This goal was reaffirmed in the 1990 Budget, which included new measures to ensure that it could be reached.

The Budget presented last week proposes further action to ensure that we reach this goal, despite the reduced revenues and higher expenditures resulting from the weak economy, and despite higher debt charges resulting from higher interest rates.

[*English*]

We are extending the existing expenditure control plan, because discipline and sustained restraint of program spending is the key to deficit reduction and debt control. The two-year program announced last year will be extended to a total of five years. Programs subject to this plan will grow at an average annual rate of 1.7 per cent.

There are, of course, some important programs that are exempted, as there should be, and those are the income support programs for seniors, for families and for veterans, unemployment insurance, and equalization. Other exemptions are Canada Assistance Plan payments to lower income provinces and Indian and Inuit programs. These exempt programs, accounting for 60 per cent of all program, spending will grow by an average annual rate of 3.9 per cent over the life of the plan.

Furthermore, we are reforming government management. We are intensifying the restraint that has been in place since 1984, which was so essential at that time and remains essential today, and which has reduced operating costs in real terms over the intervening period.

Salaries of MPs and ministers will be restrained, as will Public Service salaries, including those of executives, deputy ministers and heads of Crown corporations.

Layers of management, built up through inertia over the years, will be removed. The number of senior managers in the Public Service will be reduced by 10 per cent. Capital spending and non-wage operating budgets will be frozen at 1990-91 levels.

Moreover, Mr. Speaker, the government will be taking new steps that will compliment these restraint measures. Spending limits will be legislated to ensure that the budget's spending track will be met.

We will establish a special fund, a Debt Servicing and Reduction Fund, to ensure that all revenues from the GST are directed to reducing the deficit.

An hon. member: What happened to revenue neutral?

Mrs. McDougall: Of course you'd say "revenue neutral".

Mr. Milliken: A lot of malarkey.

Mrs. McDougall: Mr. Speaker, this is definitely not malarkey, this is a significant step forward. Canadians from all walks of life know that we cannot continue to mortgage our future, and they want to make sure that the money we spend will go to reducing the debt that was built up through all those profligate years that came before.

Some hon. members: Right on.

Mrs. McDougall: I am sure these measures will, of course, have the support of all members of this House and it will bring us on schedule to the point at which new borrowing will not be required. That will be a great day for all Canadians, Mr. Speaker.

These are serious measures and I am really sorry that the members opposite do not regard our fiscal situation as a serious one. They require serious attention if they are to be understood. Nowhere is this more true than in considering their impact on the programs that are offered through my department, through employment and immigration. I want to spend a few minutes talking about those programs now.

There have been a variety of claims made by hon. members opposite about the impact of this plan on unemployed Canadians. Well, I want to assure this House that we have made serious commitments to unemployed Canadians from the beginning and we continue to meet those concerns.

Members have particularly seized on one decision, and that was the reduction of $100 million in the Canadian Jobs Strategy budget. They argued, falsely of course, that the government was leaving the unemployed out in the cold. Nothing could be further from the truth.

[*Translation*]

After the election of 1984, this government reviewed the hodge-podge of job creation and training programs left by the Liberals. The result of this review was the introduction of the Canadian Jobs Strategy in 1985.

With CJS we streamlined training and employment programs. We moved away from the kind of make-work program which had left participants with no more skills and no more ability to break the unemployment cycle than they had had before.

As members on both sides of this House will know from the experience of their own constituents, CJS programs have improved on those that existed previously.

Programs such as Community Futures have enabled people to create stronger local economies. Job development programming has strongly emphasized the skills trainees can use in the private sector.

Innovative approaches to basic skill training have been developed. To meet the challenges of changing technology, we introduced the Skill Shortages and Skill Investment Programs. These programs have helped young people and women re-entering the labour force.

• (1130)

Two years ago, we had to review our support for training and adjustment programs.

[*English*]

We were not alone, of course, in recognizing this need to restructure the hurly-burly of programs that had grown up over the years: the Macdonald Royal commission, the Forget report, the de Grandpré report, as well as the committee report of this House from the Standing Committee on Labour, Employment and Immigration in the last Parliament, all pointed in the same direction, that our facilities for the unemployed needed changing.

Canada needed an active labour market policy, and while there might have been some disagreement among all those groups on what the policy should be, there was certainly agreement that the government should lead the way in developing an active labour market policy and that, indeed, is what we have done. We have developed a program that helps workers adapt to changing demands, not one that assumed that those changes would never happen, which is what existed before.

The result of this review process was the Labour Force Development Strategy which I introduced in this House on April 11, 1989, a program which I think is a major achievement for this government and for the people of Canada. The LFDS has been designed to deal with two problems which have existed for a long time. First, Canadian workers all too often lack the skills to get and keep good jobs, that not only would make them better participants in the labour market, but also give them a more satisfying sense of participation and of looking after their families and their families' futures.

The second is Canadian employers who have jobs but who lack the skilled workers that they need in order to fill those jobs. We find consistently that there are areas where there is a mismatch between the jobs available and the skills of those available to fill them.

Our strategy is based on the idea of partnerships; partnerships with employers, with labour, with education and with provinces and territories in a way that we have not seen before. The federal government cannot shoulder the responsibility of training Canada's workers all by itself. What we can do, however, is work with others to increase the amount and quality of training that does take place to ensure that it is relevant for workers and for employers.

The latest step in developing this partnership was the announcement on January 14 of this year of the Canadian Labour Force Development Board. This body will bring together, for the first time ever in Canada, representatives of labour, business and social action groups to help us improve, among other things, not solely, the training of Canadian workers. What a breakthrough for Canada to be able to build the kind of partnership that is going to be needed in the decade ahead and that had been ignored for so long.

Clearly, a key part of the implementation of the LFDS was improving the unemployment insurance program. We wanted to see UI continue to give income to unemployed workers, but at the same time do more, and to provide active in addition to passive help. We wanted UI to be part of this active labour market program that Canadians need and want so much.

To achieve this, of course, under current circumstances, we faced a familiar choice. We could raise taxes to pay for these new programs. We could borrow the money, thereby boosting the sums authorized in bills like the one we are discussing today, Bill C-97, or we could find a better way. As usual, we chose the fiscally sound way. We expanded the active side of UI programming and we asked that employers and workers, those who benefit from unemployment insurance, should carry its cost.

Bill C-21 was finally passed into law last fall, after a year's delay by the Liberals in the other place and it provided for this expanded role in spite, of the usual opposition urgings that less was more. As a result, this year the UI program is contributing $1.4 billion for training, training allowances, and employment assistance for UI recipients, money that will be used to train 45,000 more UI recipients than were trained last year.

[*Translation*]

So what, then, is the real significance of the reduction in funds for the Canadian Jobs Strategy which the budget calls for?

If we examine expenditures on training, training allowances and employment assistance, we find that this year more, not less, will be spent on these programs.

It is important for members to realize that, as important as CJS is, it is not the only element of the federal government's training and employment programming. As can be seen in the Estimates, the government has seen to it that this year over $3 billion will be spend on training, training allowances and employment assistance; that's $500 million more than was spend last year, and $900 million more than the year before. That's more, not less, help for Canadian workers.

[*English*]

In the case of our decision to raise unemployment insurance premiums, we were faced with another difficult choice. As the Minister of Finance noted in the budget, labour market conditions have produced a greater demand for benefits than we could possibly have anticipated.

The expected deficit in the UI account, therefore, would have required large premium increases in 1993 and beyond to eliminate the accumulated deficit and to pay the interest which would be also accumulating inside the fund on that debt.

The more immediate impact of that deficit would be to increase the current cash flow requirements of the government. Without new premium revenues to offset the deficit, the need to borrow would once again increase, and interest on that borrowing would compound the debt problem that we already face.

This is not a time to postpone difficult decisions. UI premiums should rise now, not later. There will still be a deficit in the UI account, and I want to make it clear that the government will finance that deficit. At the end of the day after all, the government represents the taxpayers and those who pay premiums. While the government will finance that deficit, it will be nowhere near as great as it would have been had we not acted now.

In this, as always, the government has acted prudently. We recognize the many needs that government is called on to serve, but we also recognize that it is a delusion, the notion that we can forever expect future generations to be able to pay for our decisions.

The plan for economic recovery, then, makes choices that will help us to return to prosperous conditions and, at the same time, give back to government the financial health that it needs to do its job properly.

An hon. member: You are making babies cry.

Mrs. McDougall: I can assure you, Mr. Speaker, that when that young child grows up, Canada will be a much better place as a result of the policies which this government has introduced.

It is important that we give back to government the financial health that it needs to do its job properly. We do take that responsibility very seriously.

In the meantime, of course, significant borrowing continues to be necessary, and that is why we are here today.

The provisions of this bill are clear and straightforward. First, there is a provision for authority to cover our anticipated requirement for borrowing to meet the net financial requirements, as stated in the budget in a perfectly straight-forward manner.

The amount requested includes provisions to cover the estimated exchange account earnings and a $3 billion reserve to manage foreign exchange transactions. Together, these amount to a request for authority to borrow $26.4 billion.

I should explain, of course, to members opposite one technical point. The request for authority to cover exchange fund earnings, as in previous years, reflects the fact that these earnings reported in the Public Accounts as budgetary revenues give rise to additional Canadian dollar requirements. That is because they are retained on the account and they are not available to finance government operations.

The $3 billion reserve is the same amount as that requested in borrowing authority bills in the last four years. There is nothing unusual about it.

[*Translation*]

This bill provides, as usual, that at the end of the fiscal year, in this case March 31, 1992, any unused borrowing authority under this bill in excess of $3 billion will be cancelled. This provision preserves the government's non-lapsing reserve into the next year to accommodate the possibility that new borrowing authority may not be provided before the start of the next fiscal year.

• (1140)

As well, the bill cancels the similar $3 billion reserve granted in last year's borrowing authority, the cancellation being effective on the latter of March 31, 1991 or the date this bill comes into force.

I want to remind hon. members that this bill provides a borrowing authority which the government needs to meet its requirement for 1991-92. It is important that it be considered in a timely manner.

[*English*]

Sometimes time is of the essence when borrowing authority is involved. For example, the Government of Canada bond issue to be offered for sale March 12 will use up virtually all of the borrowing authority granted for 1990-91. Day-to-day cash flows are volatile, but we expect it will be necessary to use section 47 of the Financial Administration Act for Treasury bills to be sold in the last half of March.

[*Translation*]

Until Bill C-97 is in place to deal with the next fiscal year, only short-term debt instruments can be sold, and the government cannot maintain the desired balance of short and long-term debt. This balance is carefully designed to reduce the government's exposure to increases in debt service charges resulting from short-term changes in interest rates.

[*English*]

Mr. Speaker, this bill contains no unusual provision, and the information required to understand it is set out fully in the budget documents and in the Main Estimates. I would, therefore, urge the House to proceed with it as quickly as possible so that new borrowing authority will be in place at the beginning of the new fiscal year, and so the government's regular borrowing program can proceed.

Some hon. members: Hear, hear.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it is time for a change, real change. This morning's performance of the President of the Treasury Board was one good example of how we desperately need a change. Yesterday, he promised us answers on the spending of the Spicer commission; yesterday he said: " Wait until tomorrow and we will give you the facts".

Mr. Flis: We are waiting.

Ms. Copps: In fact, Mr. Speaker, the Supplementary Estimates that he has tabled today shows that almost $18 million will have been spent by this commission up to the fiscal year March 31.

It is likely that at the end of this process this will go down in history as the most expensive royal commission ever to have sat. Given the nature of the work of the commission, one would not argue that it is worth spending money to try and save this country; but when you have a president who, by his own admission, last night refused to call himself a federalist, you have to ask yourself whether, in fact, the money that the federal taxpayers are spending on the Spicer commission is not simply going down a black hole.

I would like to quote what he said because I think Canadians were shocked and horrified to hear his response when asked the simple question: "Are you—well, let me ask it anyway—are you a federalist?"

"I am a Canadian and I don't really care what the plumbing is; I really don't care. I am totally indifferent to whether we have a federal or a con-federal or a sovereignty association regime, as long as the great civilizations of this country have managed to consolidate a sensible creative alliance".

Mr. Flis: What great nations did he call?

Ms. Copps: The president of the commission appointed by this Prime Minister, the very Prime Minister who, day after day refuses to answer our questions on this issue in the House of Commons, is not even prepared to call himself a federalist.

[*Translation*]

The President of the Treasury Board came to the House and promised us some figures on the Spicer Commission's expenditures, but he is still Mr. See no Evil. We have hear no evil, see no evil and speak no evil. Speak no evil, Mr. Speaker, is the Prime Minister who never rises from his seat and is even afraid to answer our questions about Confederation. Even worse, Mr. Speaker, the chairman of the commission established by the Prime Minister to find a formula to save Canada is not even willing to call himself a federalist. He referred to the government's policy as "plumbing". Mr. Speaker, plumbing is one of those important things that make a house work. I would like to know whether he is prepared to live in a house without plumbing.

Mr. Speaker, I think that finding a formula for power sharing is important where Canada's revenues are concerned.

[*English*]

That is why I say that it is time for real change. Close to 1,500,000 Canadians will be on the unemployment lines as a result of the economic policies of this government. We have a Minister of Employment and Immigration who was just bragging about their wonderful record in the House of Commons—1,500,000 Canadians without hope.

An hon. member: Some record.

Ms. Copps: One in six Canadian children goes to bed hungry every night. Bankruptcies skyrocketed last month, 55,000 last year alone.

An hon. member: What a record.

Ms. Copps: When confronted with these sorts of facts, what do the Minister of Finance and the President of the Treasury Board do? They slash and cut. They slash $100 million from the Canadian Jobs Strategy. If that Minister of Employment had any concern for the people she is supposed to be representing, she would have done the honourable thing and resigned after her Minister of Finance gutted the proposals for the Canadian Jobs Strategy.

Some hon. members: Hear, hear!

Ms. Copps: They slashed almost a billion dollars from programs to help Canada's poor and increased unemployment insurance premiums for the salaried people of this country by a whopping 24 per cent.

[*Translation*]

Mr. Speaker, in his budget, the Minister of Finance announced that he was going to cut $525 million in funding for non-profit organizations over the next five years. In 1991-92, $75 million will be cut. In the Estimates tabled last Thursday by the President of the Treasury Board, it is impossible to find out which organizations will be affected. Will it be the groups that take care of women in distress?

[*English*]

Are they going to try and cut the women's organizations as they did in a sneaky way in the last budget?

[*Translation*]

Will it be the organizations that run food banks?

[*English*]

Are they going to cut funding to food banks?

[*Translation*]

The government is attacking Canadians on two fronts. It creates poverty through a recession and cutbacks in social services, and then it cuts funding to the organizations that try to help the victims of government policy. This is a total abdication of responsibility, Mr. Speaker.

[*English*]

R. B. Bennett gave us the dirty thirties. This Minister of Finance is giving Canadians the nasty nineties. Worst of all, it is clear that the minister and his cabinet are no longer content with merely putting medicare in intensive care. The budget makes it clear that this government wants to kill off our once proud health care system. The minister's cutbacks will reduce transfers to the provinces by $338 million next year and over the next five years provinces will have to make do with $2.3 billion less,

specifically in relation to the minister's budget. These cuts signal the end of medicare and our post-secondary education system, which is also put in grave jeopardy.

In the estimates alone, the minister's own figures tell the tale of over a billion dollar cut this year alone in the insured health services program.

[*Translation*]

On page 19-8 of the Estimates, we see a cut of over $1 billion in the Insured Health Services Program. Altogether, Mr. Speaker, this means $2.3 billion worth of cutbacks in transfer payments, in addition to a total of nearly $5 billion representing cutbacks in health services, education, subsidized housing and welfare services. This Budget and this government have launched a premeditated attack on the weakest members of our society.

• (1150)

[*English*]

We find that this billion dollar cut which is part of a $2.3 billion cut specifically in relation to transfer payments and a total of $5 billion in social spending is a direct attack on those people in our society who cannot afford to help themselves

Is the Minister of Finance telling the senior citizen who is waiting to get into a hospital bed that she is going to have to pay the price?

In 1985 this minister was forced to back off a vicious attack on senior citizens' pensions. He was forced to back off when a rather sprightly woman by the name of Mme Solange Denis got her way into Parliament and confronted the Prime Minister with those telling words: "Good-bye, Charlie Brown". Well, Mr. Speaker, it is about time we tell the Prime Minister and the Minister of Finance that Canadians are going to say to those who would viciously destroy our medicare system: "Good-bye, Charlie Brown".

Not only has our medicare system long been the envy of the world, it is ironic, cruelly ironic, that at a time when the United States is moving ever closer to the establishment of a national health care system, our own government, this minister, and his cabinet colleagues are pushing us, kicking and screaming, toward an American health care system. For the sick, for the elderly, for the disabled, health care is often the difference between life and death.

What does the minister have to say to those Canadians who depend on our health care system? What does he say in his budget? I quote:

> I recognize that limiting the growth of transfers under Established Programs Financing raises concerns about the ability of the federal government to continue enforcing national medicare principles under the Canada Health Act.

These are not words of the opposition, they are not the words of the Canadian Medical Association. They are the words of the Minister of Finance who states in his own budget that national medicare principles may no longer be enforceable under the Canada Health Act. He recognizes that Canadians are concerned, but he will not do anything about it.

Thatcherism may be dead and buried in Great Britain, thank God, but it is clear that Margaret Thatcher is alive and well, and living in Canada, and she is writing the Minister of Finance's speeches.

The EPF program was established in 1982 to replace existing federal funding arrangements. We recognize that EPF is not working as well as it should. Our leader, the hon. member for Beausejour, has made this point again, again and again. Many provinces have been diverting EPF transfers into general revenue funds. We need to ensure that federal dollars transferred for education and health are spent on education and health. Restricting Canada Assistance Plan benefits is not the answer. The poor living in Edmonton, Vancouver, Montreal or Chicoutimi are every bit as deserving as the poor in Winnipeg or Halifax.

Liberals believe the way to improve the system is to ensure that money diverted for health and for education is spent for health and education. Liberals also believe that the national government has a national responsibility to continue funding health care and education so that Canadians can have a guarantee of national standards from coast to coast to coast.

Tories believe the best way to help the system is by cutting off funds for medicare and students. Liberals believe the way to save the system is to spend the money where it is most needed. Why are the minister and his government turning their backs on the sick, the elderly, the disabled and Canada's youth? I will tell you why, Mr. Speaker. They do not give a damn about the sick and the

elderly because they, their Prime Minister, their Minister of Finance, and the rest of their tired government are not listening to Canadians. In January and February of this year, while the government was busily dismantling anything that makes us unique as Canadians, members of the Liberal caucus were crossing the country listening to what Canadians have to say. Thirty-five hearings were conducted with more than 300 submissions. We heard from business associations, labour unions, working men and women, social action groups, municipal and provincial representatives, cultural organizations, and ordinary Canadians.

Liberals listened to what Canadians had to say, and what they had to say is this. This government has lost the trust and confidence of the Canadian people. The economic policies of this government are hurting single mothers, children, students, workers, small businesses, and the shut-ins and sick.

As our economic task force travelled the country Canadians told us that they are being hurt and hurt badly by the economic policies of this minister and his government.

This is what the New Brunswick Chamber of Commerce told Liberals: "Over the past five years federal taxes have increased by 57 per cent for individuals and 25 per cent for businesses. This, along with the new GST, continues to place an increasing burden on the backs of Canadian businesses".

This is what the London Unemployment Help Centre told Liberals: "Most distressing to many of our unemployed clients in this recession is the fact that they cannot get their old jobs back when times get better. In fact, most of these people are permanently displaced".

[*Translation*]

This is what the Confederation of National Trade Unions had to say to the Liberals:

> Continental economic restructuring is taking place at the expense of Canada's economic sovereignty and is having a serious impact on Canadian workers—

—and Canadian women in the labour force.

[*English*]

Here is what the vice-president of Hamilton Civic Hospital told us: "The cut in transfer payments from the federal government is having an impact on provincial transfers. The provincial government has had to restrict transfers to hospitals to the point where we feel the amount of money is less than the requirements to keep things going. With these cutbacks it becomes a rationing of services".

This is what the Manitoba Anti-Poverty Organization told the Liberals: "When Canadians lose their jobs they are forced to turn to unemployment insurance, but with the time limits on this benefit and the reductions in the job market, these people find themselves selling all their assets, overdrawn at the bank, and knocking on the doors of the welfare offices".

These are just some of the stories we heard directly from Canadians, and I think those stories say it all. With this budget, and with these estimates, the ministers are merely passing the buck to the provinces. The provinces will pass the buck to the municipalities, and the municipalities will pass the buck to the taxpayers.

For the minister who has introduced 33 tax increases since 1984 to say that his budget has no tax increases is nothing but black magic. When the minister cuts back on transfer payments, does he really expect us to believe that Canadians will not end up paying for this? Of course they will.

This government has rolled the dice once again with Canada's future, this time with Canada's economic future, and all Canadians are the losers.

Economists do not always agree on many things but most agree on this. This recession was made in Canada by this government, deliberately in a vicious attempt to pay off—

Some hon. members: Hear, hear.

Ms. Copps: —the government's debt, which has doubled since this government has come to power, on the backs of the poor, the unemployed, the sick, and those who can least help themselves.

We on this side of the House say that what we need now is more than a new budget. We, like the vast

majority of Canadians, want a new economic plan to lead us out of the recession as soon as possible, and we want a new government.

Some hon. members: Hear, hear.

Ms. Copps: Take a look at the polls. Canadians are saying in record numbers that they want more than a new economic plan. They want a new government.

So when this minister says that the budget is what Canadians need, I say prove it. Call an election and Canadians will tell you exactly what they think of the economic policies of this government. What Canadians want is not one single day more of Conservative government.

• (1200)

[*Translation*]

Mr. Speaker, Canada is a country built by the will of its citizens, both men and women. It is a complicated country; characterized by its great diversity, it extends over a vast geography, its people speak several languages, including two official ones, and live within cultural communities scattered over many regions.

This very diversity is our strength because it allows for the expression of an open society. But it is also its weakness, because its unity is difficult to maintain. Canadian men and women have succeeded in building a great country by sharing common values, by establishing such common institutions as Medicare, by setting up a unifying infrastructure, a country with its own distinctive voice on this continent.

However, ever since they came to power in 1984, Mr. Speaker, the Tories have made every effort to destroy what unites us as Canadians.

In his very first budget, the Minister of Finance was already striking at the root of our common values. Who does not remember the battle fought in this House by our colleague, the late Jean-Claude Malépart, who, together with Mrs. Solange Denis, forced the government to back down in its attack against the least affluent people in our society. The values expressed here by the former member for Laurier—Sainte-Marie are those which hold us all together as Canadians, such values as universal access to medicare which this government is in the process of trying to jeopardize.

The minister, in 1985, withdrew his proposals under the pressure of public opinion. Now, Mr. Speaker, the minister will have to withdraw as he did in 1985, failing which he would implement his program to destroy Canada in a sneaky way.

Over the years following 1984-85, the government dismantled VIA Rail, the main physical link holding together eastern and western Canada. The government silenced Canada's distinctive voice on this continent by developing its international policy on the model of Presidents Reagan and Bush. As far as our foreign policy is concerned, Canada is no longer an independent state, for it upholds the line set in Washington. This has been another devastation since 1984.

The government has committed our country to a Free Trade Agreement which is currently threatening our social programs, including our unemployment insurance plan. The government has sold out our interests to foreign investors without any control. It has weakened the vitality of our culture by denying Radio-Canada and the CBC the resources they need.

Mr. Speaker, perhaps the Tories do not understand how important it is for the CBC to maintain its presence everywhere in Canada. Perhaps they do not understand the very specific role regional stations have played in holding Canada together from sea to sea.

As members of the Liberal Party, we certainly do. We are ready not only to speak out, but to support financially, morally and spiritually the institutions which keep this country together, for without them, we would be faced with economic and constitutional chaos due to this government's policy.

To mend matters following the failure of the Meech Lake Accord the Conservative government has set up the citizen's forum chaired by Mr. Keith Spicer for the purpose supposedly of consulting Canadian men and women. We learn now that this is a blank cheque which was given to Mr. Spicer and the members of his great committee who are not even willing to state that they are federalists.

Mr. Prud'homme: A bathtub without a stopper!

Ms. Copps: A bathtub without a stopper, as my colleague the hon. member for Saint-Denis puts it.

Just when we and all other Canadians desperately need realistic new solutions, just when we need rational

discussions, and just when we need to regain confidence in our national institutions, the Prime Minister and his creation are deceiving us once again.

When will the Prime Minister stop his amateurish game of playing Russian roulette with the future of our country?

[*English*]

The Prime Minister, as usual, is rolling the dice with the lives of Canadians as he has done so many times before. This time he is rolling the dice with the president of a commission who refuses even to state that he is a federalist. Just when Canadians desperately need realistic new solutions, just when they need rational discussions, just when they need to regain confidence in their institutions, the Prime Minister and his creation are deceiving them once more.

When will the Prime Minister stop his amateurish game of playing Russian roulette with the future of our country? When will he bring forward real constitutional reform that will give Canadians hope and belief once again in a federal and a national system that many of us want to protect, cherish and build upon?

[*Translation*]

This government, by shamelessly abusing the privileges of democracy, is responsible for the fact that Canadians have lost all confidence in our political institutions. This government, by deliberately engineering a recession, has pushed millions of our fellow citizens closer to poverty. This government's economic policies have undermined our industrial base and destroyed the source of our collective wealth. And now, Mr. Speaker, it is going after one of the jewels which is the pride of Canadians in Montreal, Vancouver and Halifax—our universal health insurance program.

Let us not kid ourselves, Mr. Speaker: by gradually withdrawing from this program funding the central government will lose our capacity to set national standards for medicare.

[*English*]

The transfer payment cuts have wielded a vicious attack on our capacity to have a health care system which is portable, which is universally accessible, and which gives Canadians good health care whether they live in Montreal, in Vancouver, in Hamilton, or in St. John's.

[*Translation*]

The government reduces health care funds, slashes appropriations for education, and cuts back financial support for the environment. It may be a bizarre and ridiculous coincidence but the amount taken out of the environmental budget is exactly the same as projected defence expenditures after March 31. Everybody knows the war is over but it so happens that the government has set $600 million aside—the very amount taken from environment—claiming the money will be for war costs after March 31.

These cut-backs can only create a larger long-term deficit, a social and environmental deficit. Mr. Speaker, health, education, and environment are our assets for the future. Funds earmarked for them are investments. They are not losses, as the government sees them, they are investments.

Mr. Speaker, the deficit is a fact which confronts millions of Canadians day in and day out. One million children live below the poverty level. One and a half million Canadians are out of work. In our supposedly developed country, 25 per cent of our fellow Canadians live in poverty. That is Canada's real deficit.

The Minister of Finance justifies his budget on the basis of personal forecasts; if they prove to be accurate, he says, the country will be just fine. How are we to believe the Minister of Finance when he assures us that inflation will be down to 2 per cent next year and that the deficit will be reduced to $6.1 billion in 1995-96? How can we believe members opposite when they talk about the figures of the Conservative government?

This same Minister of Finance predicted in 1985 that this year's deficit would amount to $18 billion. Mr. Speaker, we Liberals did not double the debt over the past six years. That was done by this government. We did not say in 1985—during a mandate of the Conservative government—that this year's deficit would be $18 billion, the Minister of Finance did. His predictions have ended in failure, just where he is now headed as he is confronted with the aspirations of Canadians. Are we expected to believe the government, remembering as we do the day they told us that administering the GST would cost $325 million, yet we found out in the Estimates tabled this week that about $700 million will be more like it, including salaries?

• (1210)

[*English*]

How can we believe the predictions of this government which a mere three months ago predicted that the administration of the GST would cost us $325 million. We learned, again hidden behind the pages of chaos of the minister, that in fact the GST administration alone is going to cost Canadians more than double the original prediction. It is going to cost them $700 million; two-thirds of $1 billion, the cost for collecting.

Canadians and Liberals have been calling loud and long for a new economic plan. We want a plan based on lower interest rates and a lower dollar. We want adjustment programs.

I think we should cast ourselves back to the promise by this Prime Minister who, upon introducing the free trade agreement, guaranteed that there would be specific programs for those workers who lost their jobs as a result of the free trade displacement.

What has he produced? Not one single program to help those 1.5 million Canadians who he is predicting will be on the unemployment lines next year, and not a single program for those hundreds of thousands of people in my city, in my province, in the manufacturing heartland, in the province of Quebec and across the country who have lost their jobs as a direct result of his government's trade deal.

The Minister of National Revenue could not even convince his own brother to stay in Canada. He is moving his company down to the United States to take advantage of the marvellous deal that this government signed away with Americans. He promised the programs but he never delivered.

We have been calling for policies which would help Canada restructure and modernize its work place, and retrain its most precious resource: its workers. Liberals have been calling for a government that will not only base its policies on survival of the fittest, but rather on the survival of all Canadians, concern for the sick, for the elderly and for our young people.

We on this side want to see policies which create jobs, which bring back economic growth, and which will end the Conservative government's destruction of our competitiveness and industrial base.

Last week we heard one of the persons who is oft-quoted by the Minister of Finance, Jeffrey Simpson, say in a column that John A. Macdonald would not recognize this Conservative government's agenda, because John A. Macdonald believed that the government had to have an agenda for people, and that this government's agenda was made in one department and one department only: the Ministry of Finance. In fact, it has been on the backs of those who should be defending the poor and the defenceless.

One does not have to be a political scientist to realize that the last six years have been a race for the survival of the fittest, and that this government is run by Darwinians who believe that those of us who cannot help ourselves can take a back seat and see our medicare system destroyed, our social welfare benefits cut and our unemployment insurance pulled out from underneath us.

It has given us a made-in-Canada recession which the Prime Minister himself has admitted the government induced. It has given us record high levels of inflation *vis-à-vis* the inflation in the United States, and specifically the spread which is important to those who are looking at long-term small business investment. Now it has rendered a death sentence on medicare. Post-secondary education is already in jeopardy.

Canadians are fed up with the heartless policies of this government. They do not want the GST. They do not want cutbacks to medicare and post-secondary education. They do not want the gutting of VIA Rail. They do not want rural post offices to be shut down. They do not want local television programming eliminated by the CBC. They do not want rural newspapers to have their line of communication cut off specifically as a result of the policies of this minister and this government.

Canadians want our Canada back again. We want back the institutions which helped create us, which shape us, which make us different from our neighbours to the south. We want back the programs that protected our sick and our elderly. We want medicare. We want post-secondary education and we want a government with a heart.

Canadians want this government to go and they want it to go now. They want real change.

This budget is not a financial statement. It is a political indictment of six and a half years of a government that is killing Canada piece by piece by piece by piece. It is tearing us apart limb by limb, and now it is going to take the heart out of us, the heart of medicare. This budget by the Minister of Finance and these estimates are the last straw. It shows the true face of this government and this cabinet.

We are now looking across the floor at the mothers and fathers of de-Confederation, as my colleague the hon. member for Windsor West called it. The Canadian people find this government and this finance minister guilty: guilty of killing VIA Rail, guilty of killing CBC, guilty of killing post offices in rural areas, guilty of killing medicare, and now guilty of killing off the very capacity of Canada to survive as a nation.

The verdict is clear. It is time for real change and, if the Prime Minister had any real courage, he would call an election and put the question to the people.

Some hon. members: Hear, hear.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I rise today to speak on Bill C-97, which is asking for the House to approve funding for the deficit, but I want to remind the House and Canadians who are watching that of course what the government is asking for today is another cheque to fund its failed economic policies, because it is this government that has increased the debt to this nation by twice as much since it came into power in 1984.

I listened with great care last week to the budget speech of the Minister of Finance and I, like all Canadians, looked for some new ideas, some innovative thinking, a new plan to get Canadians back working and to get Canadians out of what is now a deepening recession. Sadly I did not see this.

I think it is important to remind ourselves that a budget is not just simply an economic tool, but a budget also defines the priorities of a government. It defines the kind of political ideology the government has. It also defines whose side the government is on. Clearly this budget is not on the side of working Canadians, of middle class and low income Canadians. There is only one side for this government and it is the corporate side, and all the rest of Canadians are forgotten and left out of this budget.

Rather than fighting this recession, this budget simply reinforces it. Rather than creating greater equality in our country, this government is widening the gap between the regions and between the rich and the poor. Rather than building strong national programs, the government is dismantling our nation by its economic policies, and that is unacceptable to Canadians and is not the way that Canadians want to see this country go.

Canadians want a government that is going to build the country, not sell it.

• (1220)

Some hon. members: Hear, hear.

Ms. McLaughlin: Canadians deserve a government that can build this country. Sadly, this budget like those before it has simply shown, once again, that this government has no new ideas, it has no agenda to get Canada moving, to get Canada working. While words like "competitiveness" are used, what is actually done in this budget makes Canada less competitive, less able to move into the 21st century, and less able to compete in the world economy.

A budget, any budget, of course, is always predicated on the predictions and assumptions about what will happen within the economic sphere. But I want to remind this House that if we look at the government's economic record of last year and its predictions, and the inaccuracy of the predictions that were made in previous budgets as we approached this year's forecasts, we all must have a very healthy skepticism.

I want to just remind this House that last year the finance minister predicted that inflation would fall. Instead, in January, primarily related to the goods and services tax, the inflation rate was at an unprecedented 6.8 per cent, the highest since the Liberal recession of the 1980s.

The finance minister last year predicted that we would have a deficit of about $28.5 billion; instead it will be over $30 billion. Last year he predicted that short-term interest rates for 1990 would be slightly over 11 per cent; in fact they were 13 per cent and higher. And he predicted that growth would rebound strongly in 1990.

Well, the unemployed do not need to read this budget. The children in the lines of food banks do not need to read this budget. They know the reality, they know it every day.

[*Translation*]

Mr. Speaker, the current recession brings back painful memories of the recession the Liberals brought about in the early 1980s. We are now faced with record numbers of banckruptcies and farming businesses being garnished, a 10 percent rate of unemployment, a growing gap between the rich and the rest of the Canadian people as well as people queuing up at food banks and soup kitchens.

All this government managed to do, as the Liberals did, was to maintain high interest rates and impose wage controls coupled with cuts in social programs. Why are we in a recession, Mr. Speaker?

The Minister of Finance suggested it was because Canadians have been living beyond their means. Try and tell that to the mothers waiting in line at the soup kitchens or unable to go and look for a job for lack of day care.

[*English*]

The finance minister says our wage demands have been excessive. Tell that to the construction worker, to the nurse, to the cook, to the bank teller, to the government worker and to the millions of Canadian families who have less money in their pockets each year this government is in power.

It is the first generation where it appears that our children will have less of an opportunity to improve their economic circumstance than we did as young people. Something is very, very wrong.

This government seems intent on blaming the victim: It is the workers' fault, it is the unemployed's fault, it is the poor's fault. But let us set the record straight. Let us put an end to the myths perpetuated by this government. We are not in a recession because of Canadian families; we are not in a recession because of Canadian workers or senior citizens; we are in a recession because of a high interest rate, an over-valued dollar, the goods and services tax, the Canada-U.S. trade deal and the destruction of national programs. That is what has brought on this recession.

This has been called a made-in-Canada recession. That suggests that Canadians from coast to coast helped to make it. I want to say that this is a made-in-Ottawa recession. It is a recession made in the office of the finance minister and that is the place it should be dealt with.

The budget presented last week represents the government's response to this recession. The finance minister announced proudly that he would stay the course. Well that is a little bit like saying, as the canoe heads towards the falls, the person who is paddling the canoe says: "We are going to stay the course." Despite the reality, it is clearly an illusion of expectation over reality. So what does the steady course mean for Canadians? Well, it means more cuts to health care and post-secondary education.

In the supplementary estimates tabled this morning at 11 o'clock, we saw that $728 million less will be available in health care as we learned in the budget last week. So, in fact, it is not a $1.1 billion cut to transfers to provinces for health care, it is $1.8 billion.

Just today at 11 o'clock we learned in the Supplementary estimates that for post-secondary education there will be $301.8 million less for the training of our young people. However, at the same time we see the government's priorities; the government is going to spend $154 million more to administer the collection of the goods and services tax. Somehow this government seems to want to just keep repeating the same old mistakes.

Today a report was released about the $1.1 million spent last year to send out a flyer to tell Canadians about the goods and services tax. All the Prime Minister had to do was talk to the Canadian people about what they thought about the goods and services tax. But, no, this government wanted to spend $1.1 million to tell every Canadian what every Canadian already knew: that this tax was a regressive tax, an inflationary tax and an unfair tax for all Canadians.

The government says it is going to stay the course. Stay the course on the GST, stay the course on cutting health and education, social housing, job training, cuts to culture and cuts to the environment.

The finance minister asks Canadians for patience. A senior citizen who has worked all of his life, a veteran who has fought for this country and has the right to spend his final years with dignity and respect, every day sees the results of what is happening in this country.

How shocking it was for many of us to see the headline last year in one of Canada's major newspapers of 700 senior citizens standing in line at a food bank at 7.30 in the morning, waiting for it to open. This is the future we have given our senior citizens. Surely, young people must

be asking today what their future is to be as this government stays the course.

A child who has only seen substandard housing, who only knows want and poverty, cannot wait ten years for things to get better. In fact, he or she cannot even wait for interest rates to come down. We are letting a generation of young people know only want, when many others in our society can live very well. Surely our responsibility as a country and the responsibility of a government is to say yes, we want a strong economy, a strong business community. That is important. As well, a government's role is to take care of those people who, for whatever circumstance, do not have a reasonable standard of living.

The finance minister asks for more restraint. But we already see many people in an economic straitjacket. He asks for more sacrifices, but who is asked to make the sacrifices? Well, to begin with, it is middle income Canadians. Two-income families will be paying out almost $400 more now for their unemployment insurance alone.

• (1230)

The increasing of those premiums also affects the small business community and the community which provides the majority of jobs in Canada. The small business community is the heart and soul of many of our communities, particularly smaller communities throughout Canada. Small businesses, many of them family run, and all families, are being hit for the first time with the goods and services tax that is costing them hundreds of extra dollars a year.

This government cannot say there are no more taxes in this budget—well, perhaps not specifically in this budget, but the economic policies out of which this budget flows clearly have made it less and less possible for average Canadian working families to own a house, to simply make ends meet from week to week.

Who else is the finance minister asking to make sacrifices? Clearly the sick—I have already noted the cutbacks to health care; to students; to the poor, to the homeless, we have cut back social housing once again by 15 per cent—to the unemployed.

I remind the House, Mr. Speaker, that during the time of the trade debates this government said that it would implement its adjustment program for workers, particularly for older workers. I have been from coast to coast in this country, and virtually nowhere is this program in place in any real way to meet that promise.

The government said that public sector workers will make sacrifices, that the provinces, the territories, and of course the municipalities will make sacrifices. But from that list—and it is a long one—there is one group that is not mentioned at all or asked to make a sacrifice, and that is the corporate sector. It is the corporate sector that is making a profit. Once again, we see that not one tax loophole has been closed, that there is not one new corporate measure to address those profit-making corporations who now still do not pay one cent in taxes. Nothing. Silence.

What about the tax loopholes such as the interest deductibility that corporations have, the business entertainment tax deduction, the $100,000 capital gains exemption, tax breaks for real estate developers? Why does the government not seriously look at bringing back some balance in the tax system by imposing a minimum corporate tax for profit-making companies? We know it used to be that individuals and corporations paid roughly the same amount in income tax, and now it is the individual taxpayer who carries by far the largest share of the burden.

If this government were really serious about sharing the burden, it would be reflected in this budget. It would close those tax loopholes. It would say that everyone was going to pay their fair share and that it is time that the rich and the powerful paid their fair share.

Some hon. members: Hear, hear.

[*Translation*]

Ms. McLaughlin: One myth is that this government is asking everyone to make sacrifices. Another myth that prevails among Tory economic policies is that to have economic growth, we must have inequality. For the economy to be in good shape, we not only have to cut programs that benefit the most vulnerable Canadians in this country but we also must have a 10 per cent unemployment rate.

One of the most shocking aspects of this budget is that the government thinks it is necessary and beneficial to economic growth to have nearly 1.5 million Canadians out of work.

The Minister of Finance maintains that he understands the concerns of unemployed Canadians. He understands them so well that he will do nothing to prevent the loss of thousand of jobs as a result of free trade and has promised a free trade agreement with Mexico, an agreement that will lead to the loss of thousands more jobs.

He understands those concerns so well that he decided to cut funding for occupational training programs by $100 million next year.

[*English*]

The finance minister talks about hearing the anguish of Canadians. He has talked in the past about understanding that because he had to take a pay cut during the last recession when he was on Bay Street. Well, you do not have to go very far from Bay Street these days to see the real tragedy of the increasing gap between the rich and the poor, and two blocks from Bay Street you can see Canadians—young men, young women, older men, older women—sleeping in the streets. Millions of Canadians know the real thing; friends, neighbours, and family members looking for work.

It seems in this budget there is an implication that maybe Canadians do not want to work. But those of us who have worked in this field, who have worked in this area, know the devastation to the human mind and the human soul of not being wanted by your society, of in fact being rejected by your society. Day after day as you look for a job, you hear the same answer, the same response. You cope with feelings of worthlessness; you try to meet rent payments, mortgage payments, try to put meals on the table.

The effect of unemployment goes far beyond economic hardship. An unemployed person is not just another statistic. Every one of us in the community is affected when our neighbours, our families, are suffering from unemployment. It is not just the problem of the individual who is unemployed. All of the statistics indicate that unemployment contributes to a higher rate of family break-up, a higher rate of family violence, of substance abuse, and other social crises. There is a real human cost. There is a real human deficit.

Perhaps 1.5 million unemployed Canadians is acceptable to the Conservative government, but I say that it is not acceptable to the New Democratic Party—

Some hon. members: Hear, hear.

Ms. McLaughlin: It is not acceptable to Canadians.

The finance minister would have us believe that there are no alternatives. He has no margin in which to manoeuvre. He has no choice but to pursue policies that would punish Canadians.

I want to challenge that view because the government is not powerless. There are choices, there are different ways to do things. As I said at the beginning of my remarks, a budget is not just an economic tool, it is a reflection of the ideology of a government and a political party.

Instead of giving the Senate $5.6 million—but, no, it is not $5.6 million, after the supplementary estimates it is now $8 million—instead of giving $8 million more to the Senate, instead of investing in a relic of the past, why not invest in the youth and their future.

Some hon. members: Hear, hear.

Ms. McLaughlin: Instead of giving $24 million more to CSIS to spy on Canadians, why not invest in aboriginal language programs and cultural programs. Listen to Canadians. There are choices; tough choices it is true, but on the one hand you have Canada's spy agency, CSIS, getting $24 million more, and you have other programs, human services, that are being cut.

I mentioned earlier that the government has now cut about $1.8 billion from medicare. It could have cut out the business lunch tax deduction and saved Canada $1 billion. That is a choice. So there are choices. Instead of cutting medicare, cut business lunches. That is where the priorities lie. It is shameful that this government has chosen to turn its back on those Canadians who are the most affected by this recession and to take the choice against those Canadians and not for the future.

• (1240)

If this government is interested, as it professes, in economic growth and international competitiveness and in reducing the deficit, it should be lowering interest rates, lowering the dollar and introducing fair taxes.

We know that bankruptcies have increased tremendously in the last year, but again, bankruptcies are not just a statistic. They are that small business down the street that no longer is operating, that family that has worked so hard to build something because they believed in their community, and their country that has been destroyed by one economic policy of this government, keep the interest rates high. What it has done is it has kept the bankruptcies high too, and that is not good enough for Canadians.

Any budget, any economic policy, should surely look to investing, not just in today, but in the future. Every analyst that looks at the Canadian economy makes two points, virtually without exception, that we are a country which no longer can simply live off our natural resources; that we must in order to be competitive globally develop our research and development so that we can be ahead of the game in that area. We must ensure that we have a skilled work force, a well trained work force, if we are in fact to have a modern economy to develop the kind of leadership in technology that we know Canadians can do, because it has been done by Canadians in the past. That means investing in education, not cutting education; investing in research and development, not cutting research and development; and investing in job training, not cutting out jobs.

This is not idle rhetoric. This is simply a fact. If we want to have a modern country, if we want to move forward, we must have a highly skilled work force and we must get people working. We hear a lot about productivity statistics in Canada, but what about the loss of productivity of a person who is not working? That is one of the greatest drains on our economy because after all, people who are working can pay taxes, can contribute their fair share and can assist in getting this country back on its feet.

[*Translation*]

A few weeks ago, the Prime Minister said in Toronto he had no intention of dismantling Canada. This is the same Prime Minister who privatized 20 Crown corporations, destroyed VIA Rail, eliminated rural post offices, destroyed communications programs for native people, dismantled the CBC and, in last week's budget, continued his attack on national social programs, especially health insurance.

[*English*]

Why this contradiction, Mr. Speaker, between saying two weeks before that this is a Prime Minister that stands for a united Canada, that the Prime Minister does not want to dismantle Canada. On the other hand, we see the facts that speak for themselves. I think the reason is simply that the Conservative vision of Canada is nothing more than a vision of Canada as a marketplace. The government's only role is to help the private sector flourish. If that requires that some people are poor, that some regions are poor, if that means the destruction of national programs based on fairness and equality, well that is just the way it has to be, in the political ideology of this government.

Canada has been more than that. It has not been that Conservative vision that really is just simply a corporate vision, and it is not the New Democratic Party's vision. We see a Canada with national values, with national institutions that reflect those values, and national goals that go beyond economic growth that include justice, equality and humanity. We see a federal government that works in the interest of all Canadians, a government that says, through its programs, through its financial planning, that we care about those Canadians from coast to coast to coast who cannot find a job, who need to have a better standard of housing and a better standard of living.

The New Democrats say that Canada is not just a collection of 26 million producers and consumers, we are people bound by history, by friendship, by values, and bound by the wish for a better future for our children.

The national health care system is a good example of what that is about, because it is about providing health care for our citizens, yes, but it is about equality. It says if you live in an outport in Newfoundland, in a community in the eastern Arctic, on the west coast, in central Canada, as a Canadian, we want to ensure that health care is a responsibility of the government to provide. It is not what you can afford, it is something that we will provide as a government, as a country because it is part of what makes us a country.

We say that whatever income you are entitled to or you have, you are still entitled to that kind of health care, to an education. Surely Canadians should at least feel that as a Canadian they will be able to have adequate shelter, but in many major cities this is not a reality and many of

those people who do not have any shelter, the homeless, are children.

These are the kinds of quality achievements, of our national health care system, that we point to with pride. In fact, that other countries look to us and appreciate the kind of political decision it took to implement such a program.

So, when the government systematically continues to undermine and destroy the medicare system in this country, it not only threatens the poor in all regions of this country, it threatens an achievement that unites our country.

The same thing can be said about development assistance. We recognize in this country that whether you are in the maritime region, in the north, central Canada, or the west, we, as a people together, have a responsibility for each other. That is a value that unites us. It is a value that is the hallmark of the kind of compassion that, as a country, we have been able to express and, so sadly, is being quickly eroded by the corporate agenda of this government.

It defines the kind of responsibility that each individual has, but also it is what we have together that defines us as Canadians and, indeed, as world citizens.

I want to just mention that in this budget the government has not only made it far more difficult for those in this country, the middle and the lower income people, but it has found almost a billion dollars to fight a war in the Persian Gulf, and once again cut development assistance by $1.6 billion. Can we really continue in 1991 to believe that if we want to see security in the world, if we want to see peace in the world, we must assume our responsibility and ensure that people throughout the world have their basic needs of food and shelter met. We have a responsibility to do that.

It seems that we can always find money to fight a war.

• (1250)

If there is to be any change as we move to the 21st century, there must be money to feed people, both here and abroad.

If we are to have a strong and united Canada we need to have a government that gives us reason to be proud, that gives us something to believe in, and that gives us achievements to share. We must have a government and an economic policy that gives hope to those who are presently suffering. How can we talk about national unity if there are hundreds of thousands of Canadians who feel they have no hope?

Right now, in cities like Montreal, Toronto and Vancouver there are tens of thousands of homeless. There are poor neighbourhoods where the birth weight of newborn babies is lower than in some parts of Latin America. Fifty per cent of aboriginal children in this country live in poverty. Throughout this country, there are 3.3 million Canadians living in poverty.

There is no hope for these Canadians in this budget. Surely the hallmark of our nation, of any nation, should be the ability to feed, to house, to educate and care for each and every one of our citizens.

To those who would suggest it is naive to think that we can afford to do that, I say it is naive to think that we cannot afford to, and continue to call ourselves a civilized society. To those who say that social cuts, greater inequalities, a less caring society are requirements for international growth and international competitiveness, I suggest they look at the eight strongest economies in the world. If you look at that, what you will see is that the gap between the rich and the poor is the highest in the United States. Canada comes about fourth out of eight countries. It is the lowest—that is the gap between the rich and the poor—in Japan. Japan is a country we often cite as being a successful economy.

We might do well in our society, when we talk about the economy and analyse economic policies, to remember that that gap between the rich and the poor represents how successful an economic policy has been. This economy in Canada fails that test. If we are looking at how successful economic policies have been, look at the absolutely incredible increase in food banks and shelters for the homeless. The economic policies of this government have failed on that count.

It is time to destroy the myths. You can have growth and equity. You can be caring and competitive. There is a different way. There are choices. There are alternatives

This government has simply not shown the political will to take them.

Finally, I want to say that I hope Canadians will see that we are only as strong as each of us is strong. There is tremendous work being done in this country by volunteers, by those who work in the community, by those associations that often work at a much lesser wage than other organizations, just simply to make the community better.

One of the things I find very distressing in this budget is the proposed cuts of grants to organizations, some $75 million. They are not named, but what that means is silencing the voices, as it did last year. In last year's budget it was silencing the voices of aboriginal people and of women. It was cutting out the essential services in our community that are provided by those people who do it out of compassion and out of caring.

If through cutting back on those organizations that provide much of the infrastructure in our country, that this government says it wants to see everyone share the burden, well, I would suggest to this government that it can make real choices, that there are real alternatives and that if it cares about the Canadian people and indeed if it cares about the future of Canada, the choices that are reflected in this budget and the estimates that have gone after it, and the Supplementary Estimates, must be changed. They must be changed now.

We need a government that stands for national unity, that says: "We care about equality for all Canadians and we are going to pursue that". If this government cannot do it, then I suggest it step down and allow the Canadian people to make a decision.

Some hon. members: Hear, hear.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, I have just gone through a pretty tough hour.

I listened to the hon. member for Hamilton East and to the hon. member for Yukon. Both would have had Canadians believe that Canada does not have a debt problem and both took the view that what this country needs is to spend more and more.

What they set before this House and before Canadians was a long list of programs that they would advocate ought to grow and expand. Taken in isolation, viewed as programs in and out of their own merit, in many cases most Canadians and most members of the government would not disagree that those are programs of merit.

Totally lacking and utterly failing in the analysis is the question of affordability and what cost will go back to the Canadian taxpayer.

For every dollar that a Canadian today sends to Ottawa in the way of taxes, almost 40 cents goes to pay for the interest on our accumulated debt. Yet in spite of this debt that grows because the debt was there, there is a calling from the Liberals and the NDP for more spending, more growth, more ideas, and more creation of new programs and expansion of old ones without any single consideration for the utter chaos that this nation would ultimately end up in if we do not bring its debt situation under control.

Take a look at the debt of the federal government, and then add on that the debt of 10 provinces added together, the debt of all of the municipalities of Canada, and the debt of private persons across the country for mortgages for homes, businesses, cars, Visa and MasterCard.

Coupled with that is the recognition that what debt is is having today for a commitment to pay tomorrow. Those two opposition parties that express so much concern for education, the youth, the children, the sick, the poor and the elderly have, in effect, said: "Let's have today and to heck with the next generation."

That I believe Canadians everywhere will reject as an inappropriate policy that would put Canada into the same position as many Latin American countries and that would sink us in terms of a nation that is unable and unaffordable because they have talked about the capacity to add program upon program without consideration for the fact that we are in a debt situation.

I see that the Sergeant-at-Arms has approached the Mace. It is one o'clock. Perhaps I may continue after Question Period.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being one o'clock, I do now leave the Chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

S. O. 31

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE BALTIC STATES

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, on Sunday, March 3, the peoples of Latvia and Estonia voted overwhelmingly in favour of independence from the Soviet Union.

The tremendous response of the Latvians and Estonians to the polls on independence is indeed notable since both of those countries include a significant ethnic Russian population.

These results and the results of the poll held in Lithuania last month are proof positive of the Baltic peoples' solidarity and their strong desire for independence from the U.S.S.R.

We support the Baltic peoples in achieving their legitimate goals and call on the Soviet Union to take notice of the unequivocal message in these poll results and begin negotiations with the Baltic states immediately.

* * *

[*Translation*]

THE CONSTITUTION

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the legislation recognizing the equality of the two official language communities in New Brunswick must be entrenched in the Canadian Constitution. This is how the rights of the Acadians of New Brunswick will be best guaranteed. Otherwise, they will be vulnerable to any political change either in Canada or in the Atlantic provinces.

In the present circumstances, it is essential that the rights of the Acadians be recognized formally by entrenching Bill 88 in our Constitution.

In this time of uncertainty, when we expect dramatic and radical changes to change the face of our country forever, the entrenchment of Bill 88 would be a positive gesture toward the most dynamic francophone minority in Canada: the Acadian community of New Brunswick.

The day when Canada will be redefined is drawing nearer and nearer, Mr. Speaker, and unless the constitutional guaranties essential to the survival of Acadia are in place, it could mark the beginning of the end for us.

* * *

[*English*]

THE BUDGET

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this Conservative government claims its budget will cut the deficit. This will reduce interest rates and thereby get economic activity moving ahead again.

This is the exact strategy followed by Margaret Thatcher in Britain. Thatcher and her Conservatives cut back the public sector and raised taxes heavily on average people in Britain.

The result did eliminate the deficit. They reached a budget surplus of over 25 billion pounds in the last three years, but instead of interest rates going down, they went up to 13.5 per cent in February. Inflation went up too, to an average rate of 9 per cent as of January, so the connection our government assumes between no deficit and lower interest rates just does not exist.

It has taken the British 11 hard years to learn that Margaret Thatcher was wrong. I hope it will take Canadians far less time to see that this government is wrong too.

* * *

GORDON TOWERS

Mr. Doug Fee (Red Deer): Mr. Speaker, it would be a challenge for anyone to follow Her Honour, the Lieutenant-Governor of Alberta, but an individual has been chosen who will maintain the high standards established for that office.

I am very pleased that a friend of mine, a friend of Alberta, a friend of this House, and a friend of all Canada has accepted the prestigious appointment as the Queen's representative in Alberta.

Our new Lieutenant-Governor is a former rancher, a farmer, a community worker and parliamentarian. After 16 years in this House, he chose to retire prior to the last election.

He and his wife, Doris, were honoured in December when in an outpouring of community love and respect hundreds of friends gathered to celebrate their 50th wedding anniversary.

His neighbours and his many friends applaud this selection. We all extend our sincere wishes for good health and congratulations on a well deserved and fitting appointment as Lieutenant-Governor of the province of Alberta to a former member of this House, Mr. Gordon Towers.

* * *

IMMIGRATION

Mr. Tom Wappel (Scarborough West): Mr. Speaker, in communities all across the country, there are Canadians waiting for their spouses to be reunited with them. Their spouses are in countries all around the world and are caught in a web of bureaucracy and inefficiency. In not just a few, but in thousands of cases husband and wife have been separated by one or even two years, waiting for immigration authorities to approve their applications.

This government has paid lip service to the objective of family reunification but, in practice, the system is inefficient and bogged down.

Last year, a group of those waiting Canadian spouses came to Ottawa to beg the minister of immigration to help reunite them with their loved ones. The minister promised to help but now, heading into the third month of 1991, no change is evident.

I call on the minister, in the name of compassion, to ensure immediately that applications to unite husband and wife are accelerated. Families are at stake. Now is the time for action, not words.

* * *

[*Translation*]

SEXIST ADVERTISING

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, for 10 years now, February is the month when *Sports Illustrated* and *Inside Sports* publish their special "swimsuit" issues. Every year, these magazines register record sales, produce enormous profits and make male "readers" very happy.

Mr. Speaker, such publications are disparaging to men because they appeal to their animal instincts. On the pretence of showing bathing suits, more often than not barely visible, they provide men who are too shy to buy a downright pornographic magazine a modest alternative that will make them forget their sexist attitude. Most men who buy these magazines will argue vigourously that these are sports magazines. They will probably also tell you that they buy *Playboy* for the articles!

Mr. Speaker, while several women groups oppose these special "swimsuit" issues because of how women are portrayed in them, I think it is also important to point out how badly they portray men.

* * *

[*English*]

IMMIGRATION

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I call on the Minister of Employment and Immigration to consider the rights of the child as humanitarian and compassionate grounds for landing families in the refugee backlog.

Canada supports the UN convention on the rights of the child which applies to refugee children. The Prime Minister, as chair of the World Summit on Children, last year appealed to all countries to give children a better future with opportunities for healthy development.

I have carefully documented eight families of refugee claimants who have been in Canada two to four years. Their children have been though stress and deprivation and will suffer considerable hardship if they are deported.

A humanitarian amnesty for such children makes budgetary as well as humanitarian sense. The savings in staff can help reduce the new backlog.

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[*Translation*]

NATIONAL NUTRITION MONTH

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, March is the National Nutrition Month in Canada. Every year, the Canadian Dietetic Association organizes a national public awareness campaign on the importance of nutrition and its determining impact on health and quality of life. The 1991 campaign will encourage Canadians to buy healthy food. Throughout the month of March dieteticians will encourage Canadian consumers

to check the labels to determine the nutritive value of various food items.

This public awareness campaign will encourage consumers to read labels and adopt eating habits more consistent with the recommendations aimed at enhancing the health of Canadian men and women. I support this initiative of the Canadian Dietetic Association and join with all my hon. colleagues in the House in extending to members our best wishes for a successful 1991 campaign.

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[*English*]

THE BUDGET

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, the budget introduced on Tuesday, February 26, has been called among other things heartless by the opposition, and yet the business community feels that we have not gone far enough in cutting government spending, although it does support the major thrust of the budget.

I believe that this budget is a well balanced plan that continues to attack the deficit and yet remains sensitive to native communities, senior citizens, veterans, low income Canadians and the disadvantaged by exempting these groups from fiscal cuts or restraints to their programs.

The key to helping people on fixed incomes is to lower inflation so that the value of their dollars will not be eroded. By remaining committed to fighting inflation and reducing the deficit, this government proves it is realistic in its approach while remaining sensitive.

* * *

• (1410)

MULTICULTURALISM

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, unfortunately the Minister of State for Multiculturalism and Citizenship has missed the opportunity to bring back last year's cuts to heritage language education.

This minister has even failed to have the new Department of Multiculturalism and Citizenship Act proclaimed, leaving the law in limbo.

[*Translation*]

The government has also cut the funds available on average to organizations involved in race relations and intercultural understanding. Although Canadian men and women are looking forward to the new citizenship legislation, it seems rather clear that the government will not introduce it during this session.

At a time when Canadians need to be proud of their citizenship, the minister seems to sheer his responsibility.

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[*English*]

COMMUNICATIONS

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, Emperor Marcel Masse arrives as Minister of Communications with great expectations and new clothes. With his new office furniture and renovations costing in excess of $100,000, he devised great communications schemes.

When he was not accepting Oscars in Hollywood he was traipsing off to Paris and Europe instead of defending the CBC, the cultural tie that binds Canadians.

He made grandiose announcements of concert halls for Edmonton and Montreal, what appears to be a phantom ballet opera house for Toronto and an ill placed cultural institute for Montreal. But, alas, with a slash of Michael Wilson's knife, they were gone.

In the beginning there was great excitement and anticipation with the new minister who initiated in excess of $9 million worth of task forces in the cultural arena. Unfortunately most have gone virtually ignored.

Minister Masse, with pomp and circumstance, made promises of new telecommunications policy and legislation, copyright reform, cultural industries development bank, cultural products distribution policies for books, film and sound recordings, a global arts policy, and tax measures to improve the socio-economic status of Canada's artists. But, alas, still promises, no action.

It would surely seem that the Emperor has lost his clothes and in the process learned that if all the world's a stage, in the cabinet he is only a stand-in.

How sad for the development of the vitally important cultural role in Canada today.

* * *

[*Translation*]

THE BUDGET

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, the measures contained in the Minister of Finance's budget will make it possible for Canada to leave recession behind and start on the way to economic growth.

In addition to reducing the deficit, the budget will contribute to a reduction of interest rates and a renewal of confidence, two essential ingredients to economic recovery.

The budget's main purpose is to bring inflation down. To achieve it, we must control salaries and expenditures.

With the Minister of Finance's budget, the government is clearly demonstrating that it is perfectly aware just how serious Canada's economic and financial situations are and has decided to remedy it once and for all.

To achieve this new growth, however, provinces, municipalities and Crown corporations will have to follow the lead. The message is clear: federal civil servants and organizations cannot be expected to be the only ones to tighten their belts.

Mr. Speaker, we must work together within an extended national partnership.

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[*English*]

MANUFACTURERS' SALES TAX

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the Minister of Finance stated that the 5 per cent tax subsidy for manufacturing and processing is being maintained to offset a U.S. export tax subsidy.

Well, the Minister of Finance did not tell the whole story. The fact is that the U.S. government repealed its tax in 1986, and at that time Canadian manufacturers and processors argued that Canada should keep the tax credit to offset the manufacturers' sales tax.

This unfair, dastardly manufacturers' sales tax is no longer in existence and it has been replaced by the GST, but yet the manufacturing and processing sectors continue to receive this tax break.

This subsidy costs $1 billion a year. In a spirit of tax fairness, should the finance minister not have repealed this tax boondoggle?

* * *

VICTORIA CROSS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, recently the Monarchist League of Canada and others have discovered that when the Government of Canada, two decades ago, decided to Canadianize awards, honours, and decorations it also made Canadians ineligible for British awards and honours, thus excluding Canadians from awards for which they had been eligible for centuries.

With the outbreak of the war in the gulf which, thank goodness, has apparently ended without Canadian casualties, the attention of some focused on awards for valour in battle that could be won by Canadians and discovered that the legendary and prestigious Victoria Cross no longer was among those available to Canadians, as Canadians. Indeed, it has been gone for nearly 20 years, but they did not notice.

Now we are told that a proposal is before cabinet to establish a new cross of Canada to replace the Victoria Cross. This change, we are told, is part of the evolution of Canada as a nation. But surely so also is the VC a part of Canada's history and Canada's heritage, and not just the heritage of Canadians of British ancestral origin. For example, the first Nova Scotian to win the VC traced his origins to Africa, for he was a black man called William Hall.

Why not establish a Canadian award that respects and recognizes our history and heritage? Why not the Victoria Cross of Canada?

ORAL QUESTION PERIOD

[*Translation*]

CITIZENS' FORUM ON CANADA'S FUTURE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Prime Minister, and I hope he

will have the courage to answer. Yesterday, during an interview on the CBC English network, a reporter asked Citizen's Forum Chairman Keith Spicer if he was a federalist. I quote Mr. Spicer's answer:

> I am a Canadian and I don't care what the plumbing is. I am totally indifferent as to whether we have a federal, a confederal, or sovereignty association regime.

I ask the Prime Minister: Does he agree that the difference between federalism and sovereignty association is mere plumbing?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I can understand why the Bloc Quebecois has been seeking to undermine the Citizens' Forum on Canada's Future, which is designed to bring Canadians together. But I will be darned if I can figure out why the Liberals and the NDP have been attacking the Citizens' Forum on Canada's Future, which is designed to bring Canada together.

The implication that Keith Spicer or any of his distinguished colleagues are not 100 per cent committed to Canada is extremely unfortunate and misleading, coming from the Acting Leader of the Opposition. In difficult circumstances, they have been doing a very important job for Canada. The jury is still out, but oftentimes when the jury comes in the results are different from those anticipated by the press.

I believe that the Spicer commission will make a major contribution to the unity of Canada.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I can understand why the Prime Minister would want to avoid answering the question, and he has avoided it.

I would like to ask him again, very directly: Yesterday in an interview the chairman of the citizens' forum, when asked if he was a federalist, stated:

> I'm a Canadian and I don't care what the plumbing is. I really don't care. I'm totally indifferent as to whether we have a federal or confederal or sovereignty association regime—

I ask the Prime Minister: Does he agree that the difference between federalism and sovereignty association is mere plumbing and, if he does not agree, what specific action does he intend to take?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is astonishing that the Acting Leader of Her Majesty's Loyal Opposition would not accept from the chairman, Keith Spicer, a very distinguished if somewhat controversial Canadian, in response to the question: "I am a Canadian." That is what Mr. Spicer said. That is what I am.

And why, by indirection, would the Acting Leader of the Opposition be impugning the integrity of Mr. Spicer's commitment to Canada is beyond me.

The unity of Canada is under challenge. I can understand my friend from Granby who is heckling from the backbench. I can understand why the Bloc Quebecois is seeking to undermine an instrument which is designed to preserve and protect the unity of Canada, but why the Liberals and the NDP are doing it is beyond me.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the issue is not the chairman of the commission. The issue is the Prime Minister, who has appointed and continues to keep in his place a president of a commission designed to guarantee the unity of Canada, a president who does not understand the difference between federalism and sovereignty association. This Prime Minister is the person who named Keith Spicer and this Prime Minister is the one who bears the responsibility for a commission that is costing the taxpayers $5,000 an hour, $18 a minute, $118,000 a week and we have a president who does not understand what Canada means.

• (1420)

I would like to ask the Prime Minister what specific action he intends to take to remove the cloud of controversy which has fallen over this commission by his decision to appoint a president who does not understand the difference between federalism and sovereignty association?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I see that the Acting Leader of the Opposition has figured out somehow that the commission is costing $18 a minute. Well, I can tell her that if this commission—

Ms. Copps: And $14 a second.

Mr. Mulroney: $14 a second, she now says. Well, Canada in my judgment is worth at least $14 a second.

Some hon. members: Hear, hear.

Mr. Mulroney: Distinguished people like Rick Cashin, one of Newfoundland's most distinguished union leaders; Carol Corcoran, an aboriginal attorney from British Columbia; Fil Fraser, Thomas Kierans, Robert Tassé, Susan Van de Velde, Elsie Wayne, the mayor of Saint John, New Brunswick; Helena Zukowski, Raymond Sirois, Jim Matkin from British Columbia—these are all very able and accomplished Canadians who have made sacrifices to serve Canada in trying to bring the country together. None of these people was looking for a job. None of them is seeking to profit from the public trough and the suggestion from the Leader of the Opposition that this is the case is unseemly and unworthy and should be repudiated in the interests, both of a united Canada and any fundamental order of decency.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Prime Minister.

This nation desperately needs a sense of purpose, not in six months, but now. Canadians are disengaging themselves from this, the most important national unity debate since Confederation. This nation cries for direction.

The question is, why has the Prime Minister not provided it? Why has his only response been to set up a royal commission, divided among itself and a chief commissioner who sees no wrong in sovereignty association. The Prime Minister is right. Do not defend Spicer, defend yourself, defend your own record.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is very interesting that my hon. friend from LaSalle—Émard says a sense of purpose is lacking and that the problem is that no leadership is being provided. This is exactly what he said, and the member for Hamilton East said, about the new Leader of the Opposition, when both of them were supporting Meech Lake and he scuttled it.

Mr. Paul Martin (LaSalle—Émard): I will tell you what I said, Mr. Speaker. What I said was that as a—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member for LaSalle—Émard.

Mr. Martin: I will tell you what I said a month ago. I said that I resented, as a Quebecer, that the Prime Minister for the first time in six years pronounced the word "Canada" in Quebec.

The problems of the Spicer commission are simply a reflection of the lack of direction of this government. It is not just the Constitution, it is everything this government touches. This Prime Minister is ripping the country apart. His high interest rates continue to set region against region.

Mr. Speaker, he has abandoned economic policy to the Americans, and social policy to the provinces. The question is, what happens to national purpose when the federal government becomes a eunuch?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am surprised that a distinguished Canadian and an excellent parliamentarian would make a statement that is so demonstrably misleading, where he says that for the first time a few weeks ago, the first time in six years, that I, as Prime Minister of Canada, pronounced the word "Canada" in Quebec. That statement is profoundly false. I know my hon. friend, whom I have known for a long time, will want to rise and correct it at the earliest possible opportunity.

Where he says the question of leadership, I remember well—I cannot give it to him chapter and verse but I can paraphrase—where he said not six weeks ago but six months ago, he said the greatest problem facing the Liberal party is that "we cannot get Jean Chrétien to say where he stands on anything". "Jean", you said, "come out of the high grass and for once, if you say you are going to be a leader, tell us where you stand". That is what he said then.

* * *

[*Translation*]

NATIONAL UNITY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister. People everywhere are wondering about our country's future. Figures given in the budget and the estimates reveal that the government spends money on that issue: almost $18 million for the Spicer commission; over $8 million for the Task Force on National Unity; close to $7 million for the Federal-Provincial Relations Office, and almost $1 million for the parliamentary committee on the amending formula. Obviously the Prime Minister has a plan in mind. My question is this: To what will all this lead—a weekend at Meech Lake, a First Ministers' conference, or simply a position to negotiate with the provinces? Where is he going? Canadians have the right to know.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend asks where will this lead. We will

have to wait for the findings of the various commissions of inquiry, the Spicer commission, the Beaudoin–Edwards commission and the various commissions appointed by Premier Rae, Premier Filmon, Premier Bourassa and others. We will have to wait. One of the complaints and one of the criticisms directed to the federal government and to all the First Ministers the last time was that the process which in 1987 gave birth to the Meech Lake Accord led to the exclusion of the ordinary Canadian—inadvertently, perhaps. So we decided we would listen to the ordinary Canadian. That is what the Spicer commission is doing. That is what the Beaudoin–Edwards commission is doing. I am surprised to see that now that the provinces and the federal government have set up a series of mechanisms to listen to the people, to ordinary Canadians, the NDP is against it.

[*English*]

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker, for the Prime Minister. My question to the Prime Minister was simply that the budget and the estimates indicate that the Prime Minister has a plan. He has funding in the budget for the commission, for a national force on unity. We are not objecting to that, we are simply saying to the Prime Minister that Canadians want to know what is happening and what the Prime Minister's plan is.

What Canadians do see, as well, are the cutbacks which the Prime Minister and his government have made to the national programs that have built a base for this country, and been important to this country.

In addition to the various commissions that have been established by the federal government, there are also in this budget indications that the government wants to negotiate new fiscal arrangements with the provinces.

My question to the Prime Minister is simply this. Canadians have a right to know what is on the table, and we would like the Prime Minister to simply answer that question.

• (1430)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend cannot have it both ways. On the one hand the implication of criticism is there, that the government is spending public funds on commissions of inquiry such as the Spicer commission, and the Beaudoin–Edwards commission in respect of the amending formula. On the other hand there was the earlier criticism that the government did not listen to people. Now we have commissions that are going out to listen to tens of thousands of Canadians, to get their opinions on how this position can be devised, and we are being reproached for this by the NDP.

What we are trying to do is involve the greatest number of Canadians possible, both in the process and the ultimate decision. The general belief is that if we are able to do that successfully, without carping and cheap criticism, Canadians will come forward and provide their own dimension of leadership, which will be very beneficial to the finding of an ultimate result.

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker. The Prime Minister refuses simply to say what his plan is for Canadian unity. It is not a question. I was simply pointing out that in the government's own budget there obviously is a plan, a financial plan for the future of this country. I was asking the Prime Minister to explain that. However, he does not choose to do that.

On February 12 the Prime Minister said that it was his values, the values that brought Canadians the goods and services tax, the trade agreement with the United States, and privatization, that he was going to apply those values to the Constitution. In short, the Prime Minister obviously favours a corporate constitution.

If the Spicer commission comes back and reports that the Canadian people do not want his corporate vision of Canada, will the Prime Minister listen to the people of Canada, abandon his Dow Jones version of federalism and start reflecting what Canadians want?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I really did not hear much of a question there, the premise of the question, of course, being inaccurate and misleading. I said no such thing.

The Spicer commission is being sent out without any government direction to seek opinions.

The NDP says: "Name a royal commission and let it be free to do its work with the people." When we do that, it says that we should rein them in, berate the chief commissioner, impugn his integrity and tell them what to do.

We will not do that. The independence of this royal commission is designed to serve Canada by getting the opinions of ordinary Canadians. Putting that in a mix, we think that is a contribution to Canadian unity.

CITIZENS' FORUM ON CANADA'S FUTURE

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the supplementary estimates tabled this morning make clear that the Spicer commission is costing the country $119,000 per day or $14 per second. The chairman of that commission said last night, when asked if he was a federalist, that he was totally indifferent as to whether we have a federal, confederal or sovereignty association regime.

The Acting Leader of the Opposition has asked the Prime Minister whether he thinks it is important that the chairman of a commission on national unity distinguish between a federal or sovereignty association regime. The Prime Minister has refused to answer.

As the author of this commission, the one who named it and of course the one who picked the chairman, does the Prime Minister not think it is important that the chairman of a national unity task force distinguish between federalism and sovereignty association?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think my hon. friend is the new whip, or whatever he is, of the party opposite.

Some hon. members: Oh, oh.

Mr. Mulroney: My apologies to the whip in waiting. My hon. friend raises questions about an answer that was given. I have not seen the full exchange between the journalist and the chairman of the commission. I would have to examine the context, but they are members of a body that from time to time claims it would rather the construction be placed perfectly on its words to avoid any misinterpretation. I think, in fairness, that same privilege should be granted to the chairman of the forum on Canadian unity. Surely there can be no doubt whatsoever about the commitment of Keith Spicer to the unity and well-being of this country. The sinister questions impugning his integrity by the Liberals is unworthy of their role as the Official Opposition.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, we want to make it perfectly clear it is not Mr. Spicer's integrity we are interested in, it is his opinion of Canada and whether or not he is able to distinguish between sovereignty association and federalism that we are interested in.

Canadians who are paying $3,592,000 a month or almost $18 million over five months for this commission are entitled to know on what basis the Prime Minister selected this chairman to chair this commission. Did the Prime Minister assure himself that the chairman had a view of Canada and the renewal of Canada consistent with that which has been traditionally espoused by members of all the national parties in this House?

[*Translation*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, in French we would call this "*un procès d'intention*", with Mr. Spicer on the receiving end.

The hon. member asked why and on what basis we selected Mr. Spicer as chairman of this important commission on Canada's future.

[*English*]

In response to my hon. friend, I can tell him that when we considered various candidates for this difficult and exacting job, and we knew it was going to be tough and we knew as well that there would probably be more criticism than displays of gratitude along the way, we were looking for someone who recognized that and, notwithstanding that, was ready to leave a very important job as chairman of the CRTC and its security to accept this particular job.

Why, because we looked at his background. He had experience as a professor and as a journalist. He had lived in western Canada in British Columbia and in Ontario. He had made himself impeccably bilingual, which is a fundamental characteristic of this nation, and he had performed in an exceptional manner as commissioner of official languages for Canada. He had become editor of one of the most distinguished newspapers in this country. He had all of the qualities to serve Canada well in the future as he did in the past.

If my hon. friend is not satisfied with those credentials, he should look at his own.

* * *

THE ECONOMY

Hon. Herb Gray (Windsor West): Mr. Speaker, I also have a question for the Prime Minister in the absence of

the Minister of Finance about something else that is fundamental to keeping this country together.

The finance minister keeps saying there is going to be an economic recovery in the spring. Just yesterday, Philip Cross, an analyst with Statistics Canada, the government's own statistical agency said, speaking about the eleventh straight drop in economic indicators: "There is no sign of a turnaround".

Why is the government persisting with a budget that is so out of touch with reality? Why will the government not make changes to that budget and bring in programs that will create jobs and get the economy moving forward right now? Why the delay?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend, who has had some experience in the financial field, knows full well that most independent forecasters agree with the assessment of the Minister of Finance, including most of the leading chartered banks in Canada, that the economic turnaround will begin in the summer, will be well under way in the autumn and will produce economic growth of 3.5 per cent next year and 4 per cent in successive years. This would cause Canada to rank again behind Japan as the second most substantial leader in terms of economic growth of the G–7 and the OECD countries. My hon. friend knows that. He also knows that our recovery must be predicated on driving interest rates down so as to encourage investor confidence. We are seeing that in abundance because of the strength of the dollar, which is attracting international support on a regular and daily basis.

• (1440)

No one can foresee the future perfectly, but I think there is general agreement that to the extent that anybody can predict months ahead, the Minister of Finance has accurately laid out a very sound game plan that will bring about prosperity and growth and jobs for Canadians.

Hon. Herb Gray (Windsor West): Mr. Speaker, the Prime Minister has just contradicted the Minister of Finance, admitting that it is his view that the recovery will not come until this summer when the Minister of Finance assured us in his budget it was going to come as early as this spring.

Some hon. members: Oh, oh.

Mr. Gray (Windsor West): It is too bad the Prime Minister did not say what he said today about interest rates last spring. We would be in a much better situation right now.

The Prime Minister is interested in outside experts. Why will he not listen to Marie Quinn, vice–president of the national employment agency, Manpower Temporary Services. Speaking of Toronto where, if the Minister of Finance is right, we should be seeing some signs of economic recovery right now, she said, and I quote: "We are not seeing anything out there suggesting things are picking up".

I ask the Prime Minister: Why has the government introduced a budget based on economic recovery this spring, when that is just not happening? Why is the government so blindly obstinate? Why is the government refusing to respond when it comes to the real needs of Canadians for jobs and growth right now?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I cannot allow my hon. friend to open that kind of a breach between the Minister of Finance and myself. I meant early summer and the minister meant late spring.

Some hon. members: Hear, hear.

Mr. Mulroney: Mr. Speaker, my hon. friend knows that interest rates have come down some 408 basis points since their high of last spring; all indications are now, after 14 or 15 consecutive weeks, that the bank rate will continue to drop. All signs cause us to believe that the recovery will be sound and solid, and it will indeed be predicated upon non–inflationary growth based on lower interest rates.

My hon. friend knows, because he was involved in 1980 in an exchange with someone on a television program, Morty Shulman, who asked him: "What happens if the Liberals get back in in this election in February and interest rates go up, because you have guaranteed they go down," and the member for Windsor West said: "If interest rates go up, I will resign on the spot". They went up 15 points almost over that period of time and he is still here.

* * *

HEALTH

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a question for the Prime Minister. National medicare was originally a 50–50 partnership between the federal gov–

ernment and the provinces. This partnership was broken by the Liberals with the introduction of block funding and unilateral cuts.

In August 1983 in Nova Scotia, the Prime Minister personally pledged to restore the 50–50 partnership. I quote: "A pumped up federal contribution is a priority item for us".

My question for the Prime Minister is: Why has his government not honoured this pledge for a 50–50 partnership and why has the federal share dropped below 37 per cent with this budget?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, indeed the federal commitment to these programs continues to grow on a regular basis, as the minister of health pointed out yesterday.

Some $14 billion is transferred from the federal government every year to the provinces. There is in the neighbourhood of $28 billion to $30 billion that is being transferred on an over-all basis, second only to the payments we make on the size of the debt.

While some provinces such as British Columbia have debt servicing charges of 5 or 6 cents on the dollar, and even a have-not province like New Brunswick has some 16 cents, the federal government inherited a situation where 35 cents on every dollar must go to pay the interest on the debt. What we must do to maintain the integrity of the programs, and make sure that the federal government can continue to do this, is get back eventually to a situation that prevailed when the Liberals first came to power in 1968 when they were only spending 12 cents per dollar on debt servicing.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my second question is also for the Prime Minister.

In 1983, the Prime Minister stated that federal medicare shares in certain cases will have to reach even higher than 50 per cent in such areas as northern B.C., New Brunswick and Nova Scotia.

The reality today is that these provinces of New Brunswick, Nova Scotia and B.C. are being forced to cut medical services and consider user fees because of the cuts by the federal government.

What happened to the commitment for at least 50 per cent funding on medicare? In particular, what happened to it in this budget in 1991?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Government of Canada has consistently honoured its commitments to the provinces by granting increased amounts of money every year.

For example, in the forthcoming year, our contributions to the provinces will increase in the neighbourhood of 3.7 per cent, while we will be keeping our own expenditures in the neighbourhood of 3.2 or 3.3 per cent.

We are giving more to the provinces than we are spending on other government programs. One of the problems that has taken place in regard to the question raised by my hon. friend is the manner in which some provinces have treated the moneys that they have received.

The provinces are in a healthier fiscal situation than the federal government. It is up to them as well to make sure that Canadians are provided with first class services. The Government of Canada contributes more than its share to this kind of program.

Some hon. members: Hear, hear.

* * *

OGILVY RENAULT

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, my question is to the Prime Minister.

Will the Prime Minister tell the House why his old law firm in Montreal has received the right to act for his government on the privatization of Petro-Canada, based in Calgary? Is that not, in reality, a fresh application of the abuse of office principles at work in his government's awarding of the CF-18 contract as well?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, the kindest interpretation that can be put on the hon. member's question is that it reflects the complete ignorance of the structure of complex commercial transactions.

The hon. member's question is not only insulting, but it is false and misleading. Perhaps I could enlighten him by advising him that first of all Petro-Canada based in Calgary has its own counsel. It has always had its own counsel.

The Minister of State for Privatization, in drafting the legislation to allow the privatization of Petro-Canada, retained the firm of Ogilvy Renault to advise the government. That firm has been retained to advise the

Government of Canada on the ongoing process of privatization.

The hon. member should be aware that that legal work is far from a major part of legal work involved in the privatization of Petro-Canada.

The major part of the work will relate to the public offering of shares of Petro-Canada. That work will be contracted by the consortium which will offer the shares of Petro-Canada. This government urges that consortium to retain Alberta legal counsel in performing that work.

• (1450)

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, having worked in the minister's Department of Justice previously, I know how her department awards counsel. I would remind her that there have been 50 privatizations in British Columbia alone from her own seatmates, and so there are lawyers in Vancouver that know something about privatization. There are 12,000 practising lawyers in western Canada, many of whom know a lot about privatization in oil and gas.

My supplementary is to the Prime Minister. Oil and gas is one of the few industries based in western Canada. Will the Prime Minister or his agent reconsider this act of blatant patronage? Why does it have to go to Montreal? Why does it have to go to the Prime Minister's old law firm?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, politics certainly does make strange bedfellows.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Ms. Campbell (Vancouver Centre): Mr. Speaker, it is always a wondrous sight to see any Liberal rise in this House to raise a question with respect to the energy industry in Alberta. It is particularly remarkable to see that member who appears to have adopted his party's position with the zeal of a convert.

I would remind the hon. member that we on this side of the House are very aware of the fact that the energy industry is centred in Alberta.

An hon. member: It has been for a long time.

Ms. Campbell (Vancouver Centre): We are not the party of the National Energy Program—

An hon. member: Certainly not.

Ms. Campbell (Vancouver Centre): —the program which not only devastated the energy industry in Alberta, but dealt a body blow to the legal profession in Alberta which supports that industry. It is this government, in fact, in recognition of the fact that the energy industry is centred in Alberta that has made the decision to move the National Energy Board to Alberta.

Some hon. members: Hear, hear.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is directed to the Minister of State (Employment and Immigration).

Socio-economic agencies in eastern Quebec have sounded the alarm in a manner unprecedented since the Depression in the thirties. We have a disastrous economic situation, unemployment and now, sections 28 and 30 of the present Unemployment Insurance Act, which are unrealistic and penalize the unemployed.

Does the minister not realize that changes in the Unemployment Insurance Act are badly needed?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, need I remind the House that the purpose of unemployment insurance reform was to deal with the high levels of unemployment that exist in the regions to which the hon. member referred?

We changed the system of economic regions, something which had not been done for 12 years, so that the legislation would better reflect community needs. Speaking for the government, I repeat that we are firmly resolved to continue to work with the communities. Our budgets have been maintained, and the answer is to make things work and bring together our budgets and the initiatives of our communities.

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, does the minister not realize these agencies represent the people of that area? My Quebec colleagues and I spoke to these agencies who are begging the government to amend sections 28 and 30.

Considering the needs and fears that exist in this particular group, does the minister think it is time to at least consider the possibility of changing measures that are damaging the social fabric of our society?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, the hon. member referred to a region I know very well, and to past social conditions with which I was also very familiar, even before 1984, when I was trying to help restore the economy of eastern Quebec and peripheral regions.

I am convinced that our present CJS and the programs that draw on community resources, are a success. That is the approach we must continue to take, and this applies to all communities and to municipal, provincial and federal governments as well.

* * *

[*English*]

OGILVY RENAULT

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister of Justice.

In avoiding the questions of the hon. member for Edmonton Southeast, the minister said that the hon. member displayed—and I believe I have this, Mr. Speaker—"complete ignorance of the complex structure of financial relations".

I understand that the minister, who is deemed to have a very high IQ, has doubtless a very fine grasp of these matters. I wonder if she can explain, other than its ties with the PMO, what arcane and wonderful qualifications Ogilvy Renault enjoys that cannot be found among the major law firms of Alberta?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): I believe what I said was "ignorance of the structure of complex commercial transactions". Perhaps the hon. member wants to correct that.

The retention of Ogilvy Renault as one of many firms which will be working in this area is not to cast aspersions on other firms. It has experience. It has advised the Government of Canada on the drafting of the legislation, and its expertise on securities, intellectual property, real estate, labour and pension law, are very appropriate to the Government of Canada's interests in this particular transaction.

I wish to assure the hon. member that in fact there will be enormous quantities of work for the law firms in Alberta as this process unfolds. I would also point out that there is a very important principle in the practise of law of conflict where a firm may only act for one party or transaction. Since most of the purchasers of interest in Petro-Canada will be in Alberta, many of the Alberta law firms will also be retained to act for those parties.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, building on the minister's enthusiasm for Alberta firms, might I ask the Prime Minister if he would be so kind as to direct the Minister of State for Privatization and Regulatory Affairs to direct Dominion Securities to include any available and competent Alberta brokers in its sales effort and to list the issue on the Alberta Stock Exchange for the duration of the privatization?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as the minister pointed out, the question and the newspaper story that was leaked last night by my hon. friend for Edmonton Southeast is completely, totally, wrong and misleading. I point out to my hon. friend that the only thing wrong with his question is that inasmuch as the Government of Canada has already instructed the consortium that will be selling the shares to use Alberta counsel, we have also instructed the consortium to use Alberta brokers.

* * *

HOUSING

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, my question is for the Minister of State for Housing.

Recently, we learned that the NDP government in Ontario will not keep its promise to deliver 20,000 affordable housing units in the province. With close to 250,000 homeless Canadians, over-crowded shelters, and thousands of people on the waiting lists for housing, can the minister tell Canadians how he can justify a 15 per cent cut to the new housing initiative budget and what plans he has in mind to reverse his government's decision and give some help to the homeless of Canada?

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, as the hon. member is aware, the thrust of the

budget is to get interest rates down, to get Canadians back to work, and to get the housing industry moving again so that we can provide housing for all of those people who need it so desperately. Also, as the hon. member I am sure is aware, because of the economies that the federal housing department has been able to accomplish, we will be able to produce exactly the same number of housing units as we did last year in the coming year, notwithstanding the fact that we will have less money.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I hope that the minister is not suggesting that they have in fact accommodated the housing sector's demands.

[*Translation*]

As the minister is no doubt aware, the establishment of a federal housing department reflects some federal responsibility in that area. How does the minister hope to fulfill this responsibility with a 15 per cent cut in the budget of his new housing initiative? Did he urge the government not to renege on its commitment to the poor in Canada or does he think it is better not to raise the issue claiming that no one will listen anyway?

• (1500)

[*English*]

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, certainly we will be fulfilling our commitment to the poor of Canada this year. As the hon. member is aware, right now we support some 640,000 homes across the country and we spend close to $2 billion of federal taxpayers' money to carry out that support.

This year we will be able to assist an additional 40,000 homes. All of that will be done, even though we are spending less money, because Canadians want their government to do things better, to do it more efficiently, and to be able to produce more or the same amount with less money. That is exactly what we are going to be doing this year in housing.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1991–92

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C–97, an act to provide borrowing authority, be read the second time and referred to a legislative committee.

The Acting Speaker (Mr. DeBlois): At the adjournment of the House at 1 p.m., the hon. member for Crowfoot had the floor. He has 16 minutes left.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, when I concluded at one o'clock, prior to lunch, I had just undergone two speeches in this House, which in the name of lowering interest rates gave a litany of things they would like to spend money on. I want to summarize that part of my comments very quickly and then move on to another subject.

Surely every Canadian everywhere has to ask the question: If the debt is to grow without end, is health care more secure? Is education more likely? Is housing more probable? Is job training more certain? Surely, the more the provinces, the municipalities, the federal government and citizens themselves extend what we have today into tomorrow by borrowing and borrowing so that some future generation has to pay, clearly the weaker becomes our social safety net; not stronger but weaker.

While the aspirations of those of the Liberal and the NDP are laudable aspirations to be commended and congratulated, surely they must come face to face at some point with the reality that we cannot just wish for these aspects of life; we have to earn our way to be able to afford them.

I believe that a former member of this House, who represented a Toronto riding and then became the leader of the New Democratic Party for the province of Ontario, is going right through that exercise at this very moment. He went into an election campaign for the province of Ontario, promising that there would be no increase in university tuition fees. He went through an election campaign in which he said that he would offer, as was revealed today in Question Period, 20,000 new housing units.

The only reason he is changing his mind is not because these aspects of life have become negative. It is because the new premier of Ontario came face to face with reality. He came face to face with the recognition that we cannot just wish for things, but rather have to put in place the building blocks that will allow the economy to be able to afford.

What separates the government party from those of the two opposition parties? It is not the recognition of what might be good for citizens. It really comes down to the simple difference that what the NDP in particular would like us to do is to wish for a greater redistribution of wealth, without ever putting in place at all any capacity for the creation of wealth. If we cannot create wealth in this nation, we cannot have the aspirations satisfied that so many citizens want.

I would like for a few moments to turn to a very different subject—one that showed up in the budget—dealing with the use of tobacco and the taxes that apply to it, and to give my reflections on why I believe the government has approached this issue in the right way.

The use of tobacco in this country, in all countries, in every country, among every person of every age group, is something that brings harm to our health, that costs us in lost time on the job and that costs us severely in terms of our medical costs. It is the only product on the Canadian market today that is harmful to a person's health when used according to the manufacturer's intentions. It is a product for which there is no safe level of use. Many people point to other products and say these are also harmful. Those other products usually are harmful if abused, but for the tobacco product there is no safe level of use.

Therefore, I think it was appropriate when the Minister of Finance was drawing up a budget that he would add three cents tax per cigarette.

I want to extract from that what else he might have done that he did not do. Because of the involvement of Canadians in defending freedom in the gulf region, because of the involvement of Canadians to ensure that the citizens of Kuwait would be able to retain and to have their homeland, this budget was one that had to find enough capacity to pay for that expense.

It would have been possible for a six cent per litre increase in gasoline to raise the same amount of revenue without increasing income tax. Clearly such a move would have been inflationary and it would have hit hard on trains, boats and airplanes: all modes of transportation. In a country like Canada, so large in its geography, such an impact would have been very serious.

We could have raised the same amount of money, had we added a two-cent per cigarette tax and a two-cent per litre tax on gasoline. But what is important is that a one-cent tax on cigarettes is equal to two cents of tax on a litre of gasoline, in terms of its net to the Government of Canada, and that even includes the projections for those Canadians who will quit smoking as a result of the higher price.

One approach would have been inflationary, whereas the other one has an impact on a habit that is harmful, that is damaging, and that is threatening to the health of Canadians everywhere.

When we take a look at what is happening in our country in terms of tobacco use, one observation that can be made is this: very few Canadians older than 22 or 23 years of age begin to smoke. If they have got to that point in their life without smoking, in all probability they will remain non-smokers for the rest of their lives.

What happens from the early twenties throughout the rest of one's life is that education is increasingly having an impact on the smoking habit. However, between approximately 10 years of age and 17, 18 or 19 years of age, but particularly in the early teen years, price is very much related to whether or not young people will start the habit of smoking.

To put a tax of three cents per cigarette on manufactured tobacco products and tobacco has a very positive impact on keeping young people from smoking.

• (1510)

I think it is very much a case that we have to put in place the kinds of policies which tend to decrease the amount of use of tobacco in this country for all of the harmful reasons we all know are there in terms of health costs.

This can be said of a tobacco company: A tobacco company is nobody's friend and it is everybody's enemy. After making that comment, I also want to take a moment to say that I recognize and I am fully aware and very cognizant of the fact that there are persons who make their living from the tobacco industry. In particu-

lar, I address my comments to those producers who grow tobacco and make their money from that product.

While it is the case we are in a society that is becoming increasingly more sensitized to good health and good environment, one cannot debate this issue and not have compassion for and even bear the obligation of having to go further to put in place the kinds of research that will seek out alternative crops, to seek out alternative opportunities and to put in place safety nets, because these persons are now having their incomes jeopardized for reasons not of their own causing.

While on the one hand I am very strongly committed that the more we can do to reduce tobacco use in this country, the better off our whole nation will be. We are able to generate tax revenues for our country without inflationary pressures. At the same time we bear a burden to those who earn their income from such ways where they need other options in order to maintain good family life on what is good agricultural lands and they need to have some kind of protection.

The dangers of tobacco are not confined to direct users of cigarettes. While 35,000 Canadians every year, year after year, each year will die from the use of tobacco, an additional 3,500 die from side-stream smoke or from being in the environment of heavy smoking. Persons who work in certain bars or in certain confined areas where smoking is a heavy, habitual habit, just by their presence in those rooms are obtaining lung diseases and heart diseases that are causing them to suffer the pangs of what happens from the tobacco industry, which has grown on the basis of providing poor health for citizens everywhere.

What I find sinister about the tobacco industry is that prior to the 1940s and 1950s the major users of tobacco were males. Somewhere about that time we were becoming as a North American society more cognizant of good physical fitness. Men throughout North America began to reduce tobacco consumption, and advertising was put in place to direct and to influence more females to take on the use of tobacco. The product Virginia Slims and the insulting slogan of "You've come a long way, baby" were used in advertisement to try to attract women to the habit of smoking.

As that stabilized, what then became the next market of the tobacco industry was to focus on young people, up until such time as governments put in place the restrictions on advertising that disallowed not only the use of tight jeans and the kind of lifestyle advertising that made young people think that smoking was a chic thing to do, but banned it altogether so it was not even an influence within the Canadian market at all.

What the tobacco industry is doing today by going into the Third World nations, selling high tar tobacco, not even processed or refined to what we think of as an acceptable standard in North America, and trying to perpetuate the use of tobacco among these relatively uninformed, unsuspecting Third World citizens is a fact of business policy that simply cannot be tolerated or accepted.

They somehow need to diversify and get out of their industry not only for the sake of the health of Canadians, not only for the sake of the fact that they have been involved in a product that is morally wrong because it kills so many people. They have also to bear a burden that they as a company, not just government, owe something to the farmers who produce their product and that they as major tobacco companies need to get involved in the rediversification and the ability of these producers to be able to raise new products without having to have their livelihoods stripped away.

This product, which is as addictive as cocaine and heroin and has been established and researched in some 50 nations by more than 3,000 creditable studies has been proven time in and time out to be harmful to one's health, dangerous to those who are in the presence of smokers. It is highly addictive. It is causing one of the major costs of our society in terms of lost time and health damage. I think the time has come when clearly we as Canadians everywhere have to send the signal that the habit of smoking is unacceptable. It is intolerable but, most of all, we should commend those in the budget process who used that process to stop at least another 10,000 to 15,000 young people from developing the habit.

Hopefully next year there will be another increase in the tax on tobacco. I hope the companies will bear a major burden in helping provincial governments and the federal government to re-establish new possibilities for those in the tobacco growing regions, because they bear the burden of doing something humanitarian rather than

simply going from men, to women, to children, to the Third World, perpetually trying to sell a product that should not be on the market in the first place.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I listened very carefully to the comments and the speech of the hon. member. I was amazed that he went on for 20 minutes about the budget and in fact about one particular aspect of the budget: the evils of tobacco.

I want to ask him a very simple question. If what the hon. member says is true, and if there was the commitment of the Minister of Finance to the points that the hon. member raised, surely the way to effect that change would have been to put perhaps a 10 or 15 cents per cigarette tax on cigarettes. Surely this is all just window dressing to try to dress up a disaster of a budget.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, generally the member who made the speech takes the opportunity to respond to a question or comment. This was not done in this case.

I think it is not just a question of getting into a bidding war as to who could demonstrate the sincerity of their opposition to the evils of tobacco by the severity of the tax, whether it be three cents a cigarette or fifteen cents a cigarette. I think that the hon. member who spoke for the government is undoubtedly sincere in his concern about the effects of smoking and about the extent to which nicotine addiction is every bit as strong as that of cocaine or heroin.

On the other hand, although I do not oppose the tax in the budget, no one has every suggested that the solution to heroin addiction is to up the price of heroin, or to up the price of cocaine, because many of these problems are much more deep rooted than simply the price of the particular product. I would caution the hon. member against any sort of simplistic correlation between price and the ability to break oneself of the habit. In fact, if anything, trying to solve these problems through taxation tends to punish poorer addicts over wealthy addicts. If you are one of those people who unfortunately cannot break the habit of smoking, if you happen to be affluent, you are going to continue to pay the price. If you are poor and you cannot pay that price, but you must continue to pay it because you cannot find your way out of the addiction, then other things are going to suffer—it might be the kids, it might be other things.

• (1520)

I would certainly encourage the government, if it is serious about trying to break Canadians of nicotine addiction to look not only to the tax system, but to look for other ways to help people shake what admittedly is a very difficult habit to break completely and utterly, as I know from my own experience and from the experience of so many other people.

Mr. Malone: Mr. Speaker, I never responded to the first member because I was waiting for a question and there was none. Since the hon. member for Winnipeg Strathcona wants me to—

Mr. Blaikie: Transcona not Strathcona.

Mr. Malone: Yes, and I could appreciate why you would want that distinction.

What the hon. member raises is certainly a legitimate question. Why are we treating cocaine and heroin differently from tobacco? The answer, I think, is fairly straightforward and it is that we have gone through several generations where tobacco was, and is today, legal.

If tobacco use were discovered today, if Sir Walter Raleigh popped up today and said: "Guess what I have found, this stuff that you can chew, put in your nose, and smoke in paper," and if we knew the research that we know today about it, I virtually would guarantee that this product would be illegal. Its addiction is equal to that of heroin and cocaine, and its health hazards are such that no matter how you use it, it is harmful, even being in its presence.

But cocaine and heroin came on the scene when we knew their damage and they were illegal and they are illegal at the present time.

Then the hon. member says: "Well, what about this question of price?" I thought I had answered that in my formal comments. Persons above the age of 20 who have not yet smoked do not develop the habit. With very rare exception they do not develop the habit. What research has established is that in those years from age 10 through to the end of the teens, the single most impacting factor to decrease tobacco use is price.

We could make it illegal, but then we come face to face with the question of what purpose would it be to make a product illegal with a portion of our society so strongly addicted. They would find it virtually impossible to quit. They would perform all kinds of inappropriate social behaviour to try and put in place the continuation of a habit to satisfy an addiction.

By implication, though, I think that that inference might have been made. The hon. member for Winnipeg Transcona says that he did not intend that, and I take him at his word.

I think that price has been established to be effective in keeping young people from smoking. When we look at the other options that a government might have had for raising the funds—very clearly one it might have gone to is a tax on fuel—there would have been an inflationary impact. I think this is a commendable way to go to raise funds without being inflationary and, at the same time, put a real, significant damper on a bad habit around the world wherever it may be used.

Mr. Blaikie: Mr. Speaker, I also want, in the context of the budget, to suggest to the member that the government is willing to consider punitive taxes in order to eradicate bad habits, which is what we have here in the form of the tobacco tax and the argument being made by the hon. member. I wish it would have considered suggestions made by members of my party and members of the environmental community, about looking at what we might call "green taxes" or "eco taxes" or "environmental taxes", that is, taxes which would discourage the use of products which are harmful, not just to the individual environment of a smoker's lungs, but to the global or shared environment of the planet earth.

There was a lot of talk, for instance, about a carbon tax. In the same way that smoke pollutes the human body, the greenhouse effect and various other things which go into the atmosphere are having a long-term deleterious effect on the global environment. It seems to me that at some point governments are going to have to come to the view that they ought to use the tax system, among other things, because I would go back to my other argument that the tax system itself is not the only way to deal with this, but to see the tax system as one weapon in the arsenal, so to speak—forgive the military analogies—that the government has to deal with environmental problems. Therefore, you could look to taxes which would discourage the use of certain kinds of products.

I wonder if the member has given any thought to that kind of strategy when it comes to the environment, given the premise he has already accepted with respect to the tax and the pollution that tobacco represents.

The Acting Speaker (Mr. DeBlois): In one minute, the hon. member for Crowfoot.

Mr. Malone: Mr. Speaker, with only one minute, I want to be very clear and very short. I would never accept a carbon tax. I would accept an energy tax, if that were the wisdom of a government at some future date. It would have to be on all energy, because I think pointing a finger at the petrochemical industry and talking about carbons, we fail to see what the hydro industry and methane gas does to our environment. To single out a region and an area of the country and place a tax upon it would be unfair, first of all.

When it comes to the question of taxing bad habits, that might be appropriate. It was not a thought I had considered. But if we do go that distance, then we would also in Question Period want to find a system of taxing preambles, argumentative questions and those that are repetitive, such as today's Question Period was, where we had the same question being asked many times over. Clearly, according to the rules of the House, those are very bad habits and ought to be subject to taxation.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, it is my pleasure to stand in the House today to discuss with members Bill C-97, which will borrow in excess of $26 billion and which members know is part of the government's budget.

[*Translation*]

What I intend to do is to ask four questions. First, what are this budget and this bill doing for the economy, the economic development of Canada and this government-made recession we have in Canada? Second, what will this budget and this bill do for national unity? Will they make things better or worse? Third, how will this Budget affect education? I raised that question in this House last Wednesday. Finally, once those facts are established, I would like to ask a last question: how much hope and confidence should we, Canadians, put in this government, based on the decisions made in this budget and this bill?

• (1530)

[*English*]

Members know we are working within an ideological framework that goes something like this. There is a high dollar, high interest approach to economic development. Basically what is supposed to happen is that inflation should be controlled. Supposedly that should fuel the economy and create jobs.

We need to admit—and I believe this is quite true—that what we have received this year is not terribly different from what was presented in previous years. It may vary somewhat in degree, but for all intents and purposes it is extremely similar. What have been the government's successes to date? Let us review those quickly.

Many members will recall the victims of the government's policies. I am referring to VIA Rail, with 2,700 Canadians no longer working. I am referring to CN, where there has been an announcement to the effect that 2,900 Canadians will lose their jobs. I am referring to the Air Canada privatization, where another 2,900 Canadians are without jobs, many of them extremely skilled people. There are pilots who have devoted much of their lives to gaining the skills required, and many others in a number of other professions.

Some members will recall the Route Canada fiasco where this company was sold and where 1,900 Canadians paid and continue to pay because some of them have not received wages or pension benefits or severance benefits. I could go on.

What about the CBC cuts? This year alone they are over 1,100. Last year there were 500–odd. These are the kinds of situations in which Canadians have been placed. They are the victims of this made–in–Canada recession, of these government decisions, including this latest budget.

What else has occurred? We have been told and it has been documented that bankruptcies are at a record high. The poor in this country, which is a relatively rich one, total nearly five million, most of whom are women and over one million of whom are children. In Canada this year almost two million people will go to food banks. I am informed that perhaps as many as 40 per cent will be children and that is roughly 500,000 people per month.

There are in this country today five million to seven million functionally illiterate Canadians, which costs the Canadian economy in excess of $10 billion. There are over 1.3 million unemployed, and that could be going up to 1.5 million. There have been cutbacks to health, to education, to social assistance programs, to regions, to various groups—some have been mentioned today—and 33 tax increases including the goods and services tax.

What happens as a result of all of this? Quite apart from the difficulties that Canadians are suffering, the ones I have mentioned and many, many others, well, the deficit is in excess of $30 billion, $30.5 billion. And the debt will be over $400 billion.

I know that my colleagues across the way love to say that is the Liberals' fault. But I have from the Minister of Finance a signed document which says that at the end of fiscal year 1984, the debt was $168 billion. When the interest rates from that day up until now are factored in one finds, interestingly enough, that the debt should have been much less than what it is today. So it really does not add up.

We have to look at that within the global context because do hon. members know what revenues were in 1984? They were around $70 billion. Do you know what they are going to be at the end of the fiscal year? They will be almost $130 billion. That is very close to twice as much. That is a pretty good increase in revenue. So the question is, what has happened to your money and to mine?

Mr. Speaker, there has been little success. The model that is being used by the government is based on a number of assumptions and those assumptions are false. They are not working. Not deliberately so. It just so happens that the model is not operating appropriately.

Let's look at some of those assumptions. The interest rate was predicted to be 11 per cent in 1990–91. But we all know that it averaged 13 per cent. Inflation was predicted to be, I think, in the neighbourhood of 4 per cent, or a little lower. Of course, that is not so; the most recent figure of 6.8 per cent really throws the figures out. The deficit was predicted to be $28.5 billion this year; as I mentioned, it will be $30.5 billion. As you know, in 1985 the same Minister of Finance predicted that the deficit

would be $18 billion. That is a far cry from the $30.5 billion that it is.

What about taxes? Personal income taxes were supposed to increase by 9 per cent. But lo and behold, your taxes and mine happened to increase by 15 per cent. What about corporate taxes? They were supposed to decrease by 2 per cent. But what happened? Lo and behold, they were reduced by 10 per cent. And the 1988 corporate tax rate of 34 per cent is now down to 28 per cent.

Economic growth was predicted to be 1.3 per cent in 1990. Well, it is going to be a little more than one-half of that, .8 per cent, apparently. And for 1991 the prediction was 3 per cent in growth, and we expect the economy to shrink by 1 per cent this year.

What were the predictions for employment? It was predicted for 1990–91 that there would be 1.2 per cent growth. But what has really happened is that it will shrink by roughly 1.5 per cent.

Perhaps they have done better with unemployment. The prediction for 1991 was 8.5 per cent unemployment, and now we expect it to be, according to the most recent budget, 10 per cent, or perhaps even slightly more.

With all due respect to the finance minister, his forecasts cannot be trusted and, I hasten to add, not because he is deliberately trying to be misleading but I think simply because he is unable to predict accurately what is happening in this country, and to deal with it appropriately.

The second question that I want to address is: What does this budget and Bill C–97 do for national unity? You know, I know, we all know that the institutions which bind this country together are being systematically destroyed one by one. I have mentioned the CBC, the CBC that spoke to the nation from one coast to the other; and VIA Rail, where we could travel at an affordable price; what about the privatization of Air Canada? What about the cuts to health, education, and social assistance programs? I could go on and identify even more reductions to programs that held this nation together, that gave it a sense of purpose, that gave it direction. But they are being dismantled, and they are being dismantled in such a way that people are losing faith in government. They are losing faith in government, and they are starting to believe that this country can no longer stay together.

This budget has been defined as a separatist dream and a federalist nightmare. Why is that? We know that the federal government has been unable to respond in a sensible and sensitive way to the needs of the regions, to the needs of the people in the provinces and in the territories. What is happening is that gradually, bit by bit, they feel as if they are being blocked out. They feel as if they do not matter any more. They feel that it does not matter what they say or do; they do not count. And when that happens, the country suffers and national unity suffers.

A federal government, it seems to me and to many colleagues, ought to be able to ensure that the essential services, such as health, education, social assistance, transportation, and communications are in fact available to all Canadians, no matter where they come from, no matter what their status in life. It should be there. That is our main and most essential purpose. And that is where this government has failed miserably.

• (1540)

It is unfortunate because, as I mentioned before, Canadians throughout the land are feeling as if it is not working together. The great fear that I have, and that many other Canadians have, is that once you start thinking that way, it may become a *fait accompli*.

[*Translation*]

My third question regards education. What impact does this budget have on education? The government made more cuts in this field. After promising there would be no changes, in 1986, it brought in a 2 per cent cut. Again in 1989–1990, it cut a further 1 per cent. In 1990–1991, it imposed a freeze. Now, it has extended the freeze. The figures involved here are astronomical.

Between 1986 and 1995, the health and education enveloppes will have shrunk by approximately $33 billion. So, there will be about a third less money for education, that is to say $11 billion. That is a lot of money, an enormous amount of money!

What was done in terms of training and retraining? Where are the outstanding programs we were promised? In previous years, the amounts allocated were more or less the same without taking inflation into account though. This year, there is a $100 million cut. What was done in terms of student assistance? Nothing. While the

eligibility criteria were not changed since 1984 in spite of the fact that the cost of living increased tremendously, nothing was done.

For litteracy, $4.50 a year is granted for each of the five to seven million Canadians who need help. You cannot even buy a hamburger and a glass of milk for that price nowadays. As for research and development, a ceiling was put on that too, as you know. Research and development are most important to ensure that we remain at the leading edge of things on the economic, technological, social, cultural, and political front. So, what do we do? We set a ceiling.

What does all this lead to? As you no doubt are aware, the student debt is skyrocketing. I have here—I could quote, but I think my colleagues will take my word for it—information to the effect that it increased quite substantially over the past ten years. This means that there are more students today who, on a scale from $0 to $5,000, $5,000 to $10,000, $10,000 to $15,000 and $15,000 to $20,000, are getting $15,000 to $20,000 deeper into debt every year than there were in the past. So, what do they do? They are afraid, they quit school, and fewer and fewer of them will get a post-secondary education. We will be the big loosers.

On admission fees, did you know, Mr. Speaker, that they increased by 300 per cent in some provinces and by 200 per cent in others? One hundred per cent increases are not uncommon for admission fees. What will that do? I can assure you that if we add up the 2 per cent ceiling on student job creation, the impending closure of employment centers in colleges and universities, the impact of the GST and the 3 per cent administrative fee added on to student loans, it is no wonder that Canadian students feel crushed. This at a stage of this country's development when we are realizing that our most important resource is the Canadian men and women, educated men and women who are truly committed to the economic, social and cultural development of the country.

[*English*]

I have a quote here, and it is a bit embarrassing because it says: "Conservative revolution takes big leap forward." It shows that while the government continues to talk about the need for competitiveness on the world markets and globalization, it ceaselessly strangles the nation's colleges and universities. We are all people who believe in the importance of education, but we must go beyond believing in its importance. We need to ensure that it has the support that it requires to do the job that needs to be done.

Let me just quote a few passages very quickly about the importance of education:

> Education is about far more than the exercise of federal spending powers; it goes to the heart of the factors that bind Canada together as a country. In a country as vast and diverse as ours nationhood is often a tenuous proposition. What better place to start nation building than in our schools, our universities and colleges, and educational programs which take place outside of our institutions.
>
> The challenges that face Canada are very real and immediate. We must begin to equip our nation with the human resources it needs to confront economic globalization and domestic economic restructuring—
>
> Increasingly, major industrialized countries are recognizing the importance of improving labour productivity through training as a means of ensuring competitiveness.

This is from the Ontario Report of the Premier's Council Industrial Policy Studies, volume III, 1986. I could go on. The Canada Royal Commission on the Arts, Letters, and Sciences stated:

> The universities also serve the national cause in so many ways, direct and indirect, that theirs must regarded as the finest of contributions to national strength and unity.

[*Translation*]

Mr. Speaker, there are several other quotes, but I must launch upon the last point now.

[*English*]

What kind of trust, what kind of confidence can we have in government as a result of this analysis that I have done? We know that the promises have not been kept and I would not be nearly as upset as I am if they had returned and told us why. But they kept on going without even the simple courtesy of explaining.

I pointed out that the assumptions of inflation, interest rates, et cetera, are wrong, absolutely wrong. What upsets me is the minister last week would not admit that he had cut health and education, and he has almost—$1 billion, and half a billion in education. When is a cut a cut? We know that the government's policies have had very, very little success, that the revenues increased from $70 billion to $130 billion with a deficit that is in excess of $30 billion, a debt that will go over $400 billion. Yet it

continues: the unemployed almost $1.5 billion; the food banks, almost 2 million people will go there this year.

We know that there has been unfair taxation where the poor get poorer and the middle class is getting hammered and hammered and they are becoming poor.

I am pleased that my party has put a task force on taxation together and they it will look at progressive taxation. It will look at proposals from my colleague, the hon. member for Broadview—Greenwood, as well as Professor Brooks from the University of Toronto. It wants to ensure that this country's taxation is as sensitive and sensible as it could be.

This budget has attacked the regions and its people. The government was wrong in 1984–85. It was wrong in 1985–86, 1987–88, 1989–90 and it is wrong this year as well. The Minister of Finance wants us to believe him. We really tried. We found that we could not. We cannot and we will not.

[*Translation*]

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, I listened closely to the clearly expressed views of my colleague the hon. member for St. Boniface, and I commend him for that. Still in his remarks he raised a number of issues which have me wondering. I know he is an expert in the education field and that he held senior positions in his province. However, Mr. Speaker, I was surprised a few times when the hon. member for St. Boniface referred to the money spent on education throughout Canada and told us that in a few weeks or months we will be witnessing the complete collapse of our national education system in the ten provinces and the two territories.

Sure enough, Mr. Speaker, the Canadian government can no longer afford to invest as much money as we would like in education, research and development. But most people know that money does not solve everything. Back home, in my city of Shawinigan, we have a general and vocational college which this year has the best budget ever. But in concrete terms, for instance, last weekend the local newspapers reported that 70 per cent of the students at the Shawinigan CEGEP cannot pass a quality elementary test in French. Yet the government spends a fortune on that institution of learning.

• (1550)

Unless I am mistaken, Mr. Speaker, the member for St. Boniface is convinced that we will solve our problems by spending more money for education and more money for the health care system in Canada. I do not share his views. I would suggest that the provinces have a significant role to play when it comes to allocating the funds they have for educational purposes.

If we examine what is going on in Quebec—and I imagine it is the same thing in other provinces—we see that, owing to labour agreements, a physical education teacher will teach mathematics next year and religion or ethics four years down the road before returning to physical education, without the benefit of a refresher course. We have reason to believe that a lot of money has been spent, but because of a major flaw in the collective agreements between the province and the teachers, it would seem that all that money has been badly expended.

Oftentimes we hear about a man who stands accused of neglecting his children, so he will attempt to buy the love of his children with money. He does not solve his problems.

Here is my question to the hon. member for St. Boniface: Does he really believe that we will solve our problem in Canada by investing billions of extra dollars—as he suggests—in research and development, in literacy, new funds to increase our annual budget which already totals $157 billion?

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I appreciate my hon. friend's comments and his question. I do not think I said that it would be the end of the world if no new funds were injected but I did say, and I quote:

[*English*]

> The present government made an election commitment in 1984 to double the percentage of national income for research and development.

[*Translation*]

The Prime Minister made that commitment. The fact that he did not return to explain why he did not honour this commitment saddens me.

Here is another quote:

[*English*]

> Canada has fallen behind its competitors on most measures of research and development activity and leads in none.

[*Translation*]

As you can see, that is there too. It really saddens me to see that they refuse to face reality.

As to what I said, may I reply with an analogy. Let us imagine that the gentleman and I share a brick house. In 1986, although he promised that he would not, he started removing a few bricks here and there in an hap hazard fashion. In 1989-90, he removes a few bricks. In 1990-91, he removes some more, and again in 1992 until 1995. What will happen? My friend, the house will collapse. That is what is happening. When some harm is done to an institution, whether a college or university, it does not show right away, but only later on. The harm gradually increases and, finally, it is too late. That was my message.

Another message just as important is that money does not solve every problem. I wish we could have looked at what could be done to make us more competitive, when the government decided it was necessary to cut back every year in payments for education, and especially this year in the training and retraining of workers. I find this extremely sad.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I have a question for the hon. member for St. Boniface, a neighbouring riding.

I have two matters. He is obviously concerned about cutbacks in education and rightly so, but I wonder if he would comment on a good example of what I think are inappropriate cutbacks in education that have occurred in Winnipeg in the last week or so where a great many English as a second language teachers have had their jobs threatened as a result of cutbacks in education. This is a good example of the short-sightedness of cutbacks in education, whereby new Canadians, for whom it is an advantage to learn English—an advantage not only to them but to everyone else, to society as a whole—are being deprived of this opportunity as a result of cutbacks in education funding. It seems to me that we need to see education funding, not just as spending, in the negative sense of what we mean by spending, but as the building up of infrastructure, whether that is human infrastructure through the development of skills and research, et cetera, or other forms of infrastructure.

It seems to me that this is the insight that is lacking in the generalized attack on things like education.

We may want to debate with each other about what is the best investment in terms of infrastructure—in this case human resources—but I think this insight is generally lacking on the government side.

Second, I wonder why it is—although the member made a fleeting reference to the need for fair taxation—that in Liberal speech after Liberal speech after Liberal speech we find so little attention paid to the money that could have been raised by this government if it did not want to cut back on spending or if it wanted to raise revenue, by closing many of the tax loopholes that now exist. I wonder if the reason for that is that most of the tax loopholes which should have been closed in this budget were loopholes that were put there in the first place by Liberal governments. Perhaps that explains the silence of the Liberal Party when it comes to closing those tax loopholes.

Mr. Duhamel: When he got up, my colleague said that he was from a neighbouring constituency and I thought he was going to treat me like a neighbour. He started that way, and then, I do not know, some force grabbed him and made him deviate.

With respect to the latter, I suspect that my hon. colleague has not been here all of the time—none of us can be—but my colleagues have, in fact, mentioned that that could have been changed and should have been changed. There is no party in the world—not my party nor his—let me finish—

Mr. Blaikie: Name a loophole that should have been changed.

Mr. Duhamel: —that could not go back in its history and change some of the things it has done.

Name a loophole? I think the "meals loophole" is one good one. You thought that perhaps I did not know.

The second point that I want to make—and I would like him to continue to treat me like a neighbour—is this: if he wants to look at sins, let us look at the NDP government in Ontario. In their manifesto they say "no

tuition fees". Now, what do they do? They "stick it" to the students and add 8 per cent this year.

With respect to the question of English as a second language, he is quite right. That was the best point he made; there is a national problem. The government has increased the number of immigrants and it has not increased the language training program. On that one issue my friend and I stand side by side. On the others, we are going to have some other discussions.

The Acting Speaker (Mr. DeBlois): Before recognizing the hon. member for Rosedale, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Winnipeg Transcona—Lithuania; the hon. member for Winnipeg St. James—Justice; the hon. member for Drummond—Housing.

Hon. David MacDonald (Rosedale): Mr. Speaker, like other hon. members, I rise to take part in the debate on the borrowing bill, Bill C-97, which of course goes to the heart of the recent budget and goes to the heart of the present economic problems that are being faced by this country.

I listened with some interest to both the recent debates that have taken place and the discussions that have occurred over the past several weeks. It strikes me that only occasionally do people speak to what surely are the essential issues in the matters that are presently before us.

Surely we are addressing the economic health of the country and the degree to which the federal government, in the way that it can control the expenditures and revenues of the country, can contribute to the improvement of that economic health.

• (1600)

As we think about matters related to the debt and the deficit, I think there is a danger of looking only at the narrow economic issues, whether it is the regular growth of the debt, which is in many ways overwhelming, if not suffocating, or looking at the annual deficit charges which are still enormous. In fact, if one looks at the amount that will have to be paid on the interest alone on the debt that currently exists, it is such a monumental figure of some $43 billion that it almost overwhelms almost the totality of all our annual social expenditures.

This is not an easy issue to resolve. If it was, we would certainly not be debating it here and we would not have had a succession of budgets and economic measures seeking to contain it.

I would like to begin by looking beyond the immediate problems that affect the debt and the deficit. Those of high interest rates, high dollar, perhaps less than adequate productivity, threatening inflation and, of course, at the moment very large and unacceptably high unemployment. I want to look at the context of the country itself and what we are faced with.

In Question Period today and in many Question Periods, there was debate about how we are resolving our constitutional difficulties. Again, the danger is that we look at these in the context of the kind of legalisms or to extend it a bit, the packages of rights and privileges that extend to various jurisdictions: the provinces, the federal jurisdiction, or beyond the provinces to the municipalities.

It would be important for just a moment to think about the totality of all of this, of the very country of which we are a part. It is a fascinating if not, at times, a frustrating country to understand.

I had the opportunity last year to serve on the special committee of the House of Commons, the Charest committee, which attempted to break the logjam with respect to the Meech Lake agreement. I do not want to regurgitate all of the arguments that went pro and con around that issue. But I want to look at the perceptions that affected that consideration and the perceptions that I suspect very much affect both the Spicer commission and the joint committee of the House of Commons and Senate. Here is where I think we engage ourselves in considerable difficulty.

What strikes me, as someone who has been in and out of public life now for a quarter of a century, is that there seems to be greater and greater difficulty for Canadians generally to see the country in its totality. It has become much easier, one might almost say seductive, to look at the country through a particular microscope, in a particular locality and with an almost singular set of characteristics. While it is true that each one of us makes our home in a specific community, accompanied by specific family, neighbours and friends, the sustenance of that

local community is a much larger reality. One that is even larger than Canada itself and Canada is, to say the least, uncomfortably large.

The old saw of an earlier Prime Minister, Mackenzie King, that most countries have too much history and this country has too much geography seems to be particularly true in the experiences of the last decade.

In the debate affecting the borrowing bill, a certain amount of attention has been focused, certainly from this side, about the degree to which in the final years of the Trudeau government expenditures far outran revenues, something like 30 per cent or more and there was a rapid accumulation and an augmentation of the debt.

That same period of the early 1980s also saw an attempt to resolve the national sense in the elaboration of the Constitution in 1982 and 1983. I believe that in a sense by attempting to resolve something, that may have been much more difficult to resolve than we realized, we opened a kind of Pandora's box and created a kind of expectation, if not a desire, for people to try and satisfy and resolve all their local anxieties within some kind of new national context and not really being sure of what that might be.

Those questions are still out there. In some ways they may have been further enlarged upon or touched upon in terms of our renegotiated economic understanding at least with the United States through the free trade agreement. If there are two things that affect the character of Canada and Canadians it is our sense of what it means to be united as a country and in relationship to the United States.

All of this could be cast, and has been cast by some, as a kind of negative experience but I want to suggest here today that it also has the seeds within it of a positive opportunity. While Canada is very big and its problems for those of us who are Canadians may seem very large, the world of which we are increasingly aware is even larger, tougher, and more difficult. We only have to reflect on the experiences of the last few months and in particular the experience with the gulf crisis to realize how abundantly true that is.

I was not that closely involved with all of the detailed aspects of either the gulf crisis or the gulf war, but just before hostilities occurred in mid-January, along with colleagues from both sides of this House, I visited two countries that certainly were heavily impacted by the effect of the gulf crisis.

Even today as I stand here the people of the Sudan who have unfortunately been bled by a government that chose in a rash moment to support the actions of Iraq have paid a rather heavy price in terms of finding limited access to desperately needed foreign assistance at a time of a major internal famine threat and crisis.

Many of us are deeply troubled by the fact that as many as perhaps seven million to nine million people at the moment are suffering the risk of famine in a situation which far too few people know anything about but which, all too sadly I suspect, as the news and interest related to the gulf subsides they will become painfully aware.

This is only one example of the world which Canada is a part of. A few months ago I attended an international meeting concerned with matters of security, not security in the way we have traditionally thought of it in terms of military expertise and systems of national defence. This is security of a kind that raises fundamental questions about the health of the planet to survive the rapidly deteriorating situation and ecological breakdown that is occurring in hot spots of the world, such as parts of Africa, but is already showing signs of threatening even the protected parts of North America.

I see my colleague here from Saskatchewan. He could speak feelingly about the recurrence of very threatening drought in the 1980s in the province of Saskatchewan and in parts of the United States.

• (1610)

We have major environmental challenges. When we talk of security in the 1990s and beyond, I believe we will be spending much more time thinking about ecological security and resources in the same kind of mind set, the same kind of magnitude as countries have been prepared to devote to systems of national military defence.

These are a few examples of the world in which Canada exists, and here I want to raise a very strange problem.

When I travel with others to parts of Africa or Asia to discuss with them their particular needs, how Canadian volunteer organizations, institutions, churches, universities, labour unions, businesses and others can be helpful, there is an automatic willingness to engage in conversations with Canadians because we have a record of being helpful in a disinterested way that does not carry with it

a great hidden agenda of some kind of exploitation or unfair advantage.

We do hope for improved and beneficial relations, but in a way that is acceptable to both partners. I can still recall a few months ago being with a number of friends in Ethiopia discussing with them some of the acute challenges and problems that are faced by one of the poorest countries of the world, with a population twice the size of Canada.

During the conversation, as we had spent much time discussing this project or that, it suddenly turned to Canada and I was asked to give an indication of what was important that was going on in Canada.

As I began to describe some of the matters which seem to preoccupy so much of our time and attention, I saw people's eyes glaze over because they could not understand how these problems, which from their point of view seem so infinitesimally small, could so dominate our national agenda and our national attention.

There is a strange paradox or contradiction in this. I think that Canadians, our political parties and our institutions have to rediscover what are the real priorities for this country in the world of the 1990s.

A starting point has to be where we live, and that is the purpose of the bill that is before us today. That we get our own economic house in order. There can be no satisfactory health to us in any other kind of terms if the management of our own resources and economic well-being is not being responsibly looked after.

A great Canadian, a man who had tremendous insight into the fundamental differences between Americans and Canadians, once said: "The real difference in business terms between Americans and Canadians is that Americans like to make money and Canadians like to count it". That was Northrop Frye.

I think it says a lot about a certain sense of responsibility that we have. I believe there is a good deal of discomfort among members of all parties in the fact that we have not been as effective as we should be in restoring the economic health that we need for this country.

While I have heard a fair bit of criticism about this particular program activity, expenditure, reduction or another, I have heard very little about how we can in a sense take the direction that the Minister of Finance, the President of the Treasury Board and others have outlined by way of suggesting a safe, sure and secure path out of the economic strangulation that exists with spending still far too much of our revenue resources to meet an unacceptably high deficit and a national debt. Surely the challenge to all of us is to work together on that proposition.

The other day I was at a meeting with the president of the Economic Council who raised a problem that I had never thought of in economic terms. She said that one of the fundamental weaknesses in the Canadian economy is that we may be too affected by an adversarial situation.

Of course it goes without saying that the parliamentary tradition that we are all a part of is based on a certain level of adversarial activities. It is the constant testing of governments that ensures that they are doing what is responsible and that also indicates that the opposition are keeping governments on their toes.

I think she was meaning more than that, that within the Canadian experience of acting responsibly in an economic sense there is a need to work together to work our way out of what I regard as an extremely dangerous and difficult situation. None of us can be happy by the fact that the deficit at $30 billion is still far higher than it should be.

I would like to challenge all members of this House, and I suppose particularly those who are in the opposition, to contribute to this debate and others in a way that would suggest how we can make further and effective reductions in that, because, ultimately, the most important thing we can do in achieving economic recovery, and with that, environmental and social recovery, is in raising the confidence level of the Canadian economy. I fundamentally believe that that will not happen unless we can prove that we are serious about getting our own economic house in order and reducing, in a significant way, the sure strangulation that the continuing debt and deficit have effected on the Canadian economy and on our people.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I enjoyed much of the content of the remarks of the hon. member for Rosedale. Just as he was

speaking, I was at my desk replying to a letter from a Scarborough group using the name The Agincourt Ecumenical Ministries, a number of Christian churches. One of the questions I was attempting to answer, just as he spoke, was what more should Canada be doing to assist the famines around the world and to help the hungry and the dying out there right as we speak. One of the items they mentioned was the delivery by Canada of the UN exhorted .7 per cent GNP contribution to world aid. I know we are not there yet.

I agree that the Canadian debt is going to have to be better managed. We have to have the money in our hand before we spend it, but one thing that appears to be missing, and it may not be missing but I have not seen it, is the commitment from government to move our foreign aid up to a level that is more commensurate with the needs of the world.

As I ask the hon. member that, I also would recall for him the events of Sunday night where he and I were at a dinner where a magician who had come from China moved a coin from my hand into the hon. member's pocket about 15 feet away. I still do not know how the magician did it, but I will do that right now and ask the hon. member to comment on that.

Mr. MacDonald (Rosedale): Mr. Speaker, I thank the member for Scarborough for the comment and the question.

As he will recall from Sunday night, the coin that was briefly resting in my pocket went right back to the magician and, of course, that seems to be often the case.

What I am concerned about in terms of the major point that he raised affecting Canada's commitment to international development is that we not, in an attempt on a short-term basis to maintain some kind of, I guess I would call it, if I can use some theological terms, some cheap grace, satisfy a situation that will ultimately make it even more difficult for us to play what I think is a major and significant role in international development.

• (1620)

It is true we have made a commitment to go to .7 per cent, and we got very close to .48 per cent or .49 per cent on a GNP basis. We have slipped back a bit, although quite frankly, in the last several budgets, the ODA budget has not taken as large a cut as other parts of federal expenditure. If you compare our contributions on a percentage basis with most of the countries that are involved in international development in a serious way, we are still a major contributor and have held our own better than a number, certainly much better than our friends in the United States, who have seen a very dramatic reduction in their ODA budget.

There is no easy answer. One cannot isolate either the international development expenditures or any other part from the over-all economic management that is going on. However, I do think that we can use our contributions more effectively and efficiently, in view of some of the recent announcements that were made over the past year or two, in dealing with the poorest of the poor. I believe that, fundamentally, we should be using our aid to assist in those situations where in fact not large amounts of money but small amounts of money used on people-intensive areas can be very important. We have learned over the last few years that spending large amounts of money is not the key; it is enabling people to help themselves.

One of the best projects that I managed when I was Ambassador to Ethiopia and Sudan was the Canada Fund, which allowed us to put money into small groups, self-help organizations, which achieved a great deal.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I would like to begin by complimenting the hon. member for Rosedale on his remarks. His presence in this House, in my judgment, contributes tremendously to the wisdom that is here, given his extensive experience not only over many years in this place but also in serving Canada abroad in the Third World.

I come here each day and listen to the debate back and forth, and I particularly listen to remarks from the other side of this Chamber, which are always of a highly negative nature respecting the state of affairs in this country. I know we are all concerned about the state of the national debt. I listened earlier with great interest to my hon. friend from St. Boniface who criticized the government for raising taxes, criticized the government for reducing expenditures, and then criticized the government because we had a debt. So I am not sure how this works.

I would like to put a question to my hon. friend, in view of his experience and his time in all parts of the world. It seems to me rather unusual that the severest and most frequent critics of this country are the people who fail to recognize how fortunate we are to live here. I wonder if

he would be kind enough to comment, notwithstanding the difficulties that we have with our national debt and the need for a borrowing bill such as we have before us, on what he has observed of the attitudes that peoples of different parts of the world have towards this country of ours.

Mr. MacDonald (Rosedale): Sometimes I think our greatest problem is that we do not have the opportunity to see ourselves as others see us. That is not easy to achieve, Mr. Speaker, because we are very much in a cocoon, if I can put it that way, of North America, and in particular with perceptions of ourselves that are somewhat our own and somewhat not our own. If I can talk about the way in which we see ourselves through the eyes of the United States, it is fascinating. It has always intrigued me, as one who is interested in communications and culture, how this is a country that basically understands itself on the basis of how other people treat us. And for most of us, it is how the United States treats us.

I see my friend from Humber—St. Barbe—Baie Verte here, who, along with myself and several others, travelled early on to the Ethiopian famine. I think we will never be able to quite overcome the kind of welcome we had. I have an image in my head that I want to share with members, because it involves the member for Humber—St. Barbe—Baie Verte. We visited at the height of the famine one of the worst famine camps in Mak'ale, in northern Ethiopia. For people who have not been there, even the thought of it must be almost appalling. But the image I have is not an appalling one. It is of about 30 or 40 children who found in the member for Humber—St. Barbe—Baie Verte a soulmate. They began to sing and dance in that famine camp in a way that recognized that even though they did not know our names, they did not know quite where we came from, they knew we were there to help and that we were friends. A bond of friendship and acceptance was established that said something very important, both for the hon. member and for the Canadians he represented.

We need to have a strong sense of that, I think, and if we are able to gain it, it will be very important in dealing with many of what we see to be very tough economic, constitutional or environmental problems that we face. It is getting that kind of an understanding that I believe is quite important.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I look forward to this opportunity to participate in the discussion on the borrowing bill. Let me say to my hon. colleague who has just sat down that I too remember very well—I think it was December 1984, just a few weeks before Christmas—the visit that he, as the then famine ambassador for Canada, and I, together with the member from Edmonton Southeast and Lynn McDonald took to Ethiopia. Certainly I could not agree with him more that that kind of experience will not leave any of us because it was at the height of the famine and it was early on. What we saw, in particular having seen it just before Christmas, just before coming home for that great spiritual but commercial celebration here at home, was quite a startling contrast.

I have to say to the hon. member that when I remember those scenes, when I remember those people, nothing in my experience has ever affected me as much or for so long a period of time, then I become one of those representing one of Canada's poorest provinces, Newfoundland, one of the highest areas of unemployment in Canada in the riding now named Humber—St. Barbe—Baie Verte when its name changed, I become one of those who has no hesitation defending even in times of restraint Canada's foreign aid spending development assistance.

I know I speak with absolute assurance on behalf of the people of my riding, that even though they live in the poorest province in one of the poorest constituencies of the 295 in Canada, the people of my constituency would not want to see the books balanced on the backs of the very poorest of the poor in the world. I hope the government will bear that in mind and will not feel some political obligation to make cuts.

I hope that if we are involved, as the Secretary of State for External Affairs has said, in the reconstruction of Kuwait and Iraq that those funds will not be diverted from existing aid programs, that we will not deny those who live in the sub-Sahara so we can do reconstruction in Kuwait or Iraq. That too would not be proper.

I want to say a few words about this government's spending program and its request for borrowings and the budget. The reality of a borrowing bill and the reality of a budget is that it is far more than just an economic statement. A budget is far more than an economic blueprint for the government. It is far more than a ledger of assets versus liabilities. As well, a budget is and must be a political statement. The budget reflects, after all, the priorities, the problems but also the potential of a nation. A budget is the reflection of the choices that a government makes in determining its spending program. Ultimately, a budget tells us something about the values of a society.

• (1630)

I have no hesitation in saying that I have a great many problems, a profound disagreement with this borrowing bill and this budget. It is not a disagreement founded on how much is raised and how much is spent. It is not a fundamental disagreement with the notion of practising a measure of frugality. It is not a disagreement with the Minister of Finance's seven year old objective of getting the deficit under control. He has been telling us every year since 1984 that that is his primary objective. However, the national debt has more than doubled in those seven years and the deficit has not been reduced by very much. So I do not disagree with those objectives, although they have been missed. No. My objection to the borrowing bill and to the budget is the kind of vision it paints of this country.

The member who spoke before me talked about values. I know that member is genuine when he talks about values. I know he feels things very deeply. I have never asked him directly, but I sense this. If you spend time with someone in a place like Ethiopia, a form of osmosis begins to happen. You begin to take the measure of people. I know that when it comes to values, the perception of the continued meltdown as is assuredly going to happen as forecast in the budget, the assured meltdown of medicare in this country; the assured meltdown in the ability of Canadian youth to have access to post-secondary education in this country, that evolution, as is foreshadowed by this budget, causes members of vision, I would suspect, a great deal of trouble.

If Canada is allowed to continue with the kind of spending program, the kind of priorities as outlined by the Minister of Finance, we are not going to recognize this country in a very short period of time. We are not talking about 30 years, or 20 or 15 or even 10 years from now. We are talking about three or four years from now.

Do Canadians realize that this budget puts in place cuts for health, education and social assistance to the tune of $5 billion over the next five years and that within five years we are going to have as many as four of the ten provinces getting no transfers from Ottawa for health care. What does it mean when four of ten provinces get no transfers from Ottawa for health care because of these cutbacks? It means we can no longer talk about a national standard of medicare in Canada, because the national government cannot dictate a national standard if it has not put its money where its mouth is.

What does that mean? It means if you come from Ontario, which has some fiscal capability and there is a cut in health dollars, the provincial government makes up the difference and hopefully, you maintain the quality of the health care. But if you come from Newfoundland, where there has been a cut in federal dollars, and the provincial government has no ability to make up the difference, then health care goes down.

It means we are building a Canadian society where the notion of being a Canadian used to mean that in some fundamental ways, we are all equal whether we come from P.E.I. or Rosedale, or Newfoundland or British Columbia. We used to be equal in terms of our health care across this country. We all knew that if we got sick, God forbid anything else that went wrong, we would be looked after. We used to know that if we were totally down and out and had no other means, at least under the Canada Assistance Program we would be looked after. We always knew that if we were unemployed, we had our unemployment insurance. We knew that in our retirement, we could retire with the dignity of a Canada pension. All of these things, health care, access to quality education, unemployment insurance, and I suspect in the minds of people my age we are wondering whether there will be at this rate an old age pension, the security of an old age pension cheque.

All of those things are not about dollars and sense. They are reflections of the values of a nation. Do we as a nation value the notion that whether you come from east or west, north or south, rich or poor, you are entitled to quality health care? Is that not a Canadian value? Can it

be traded away against the bottom line of a budget estimate? Do we not in this nation believe that the brains of this country, the youth of this country, whether they are born north or south, east or west, rich or poor, Catholic, Protestant, Jew, Muslim, that every one of them ought to have an opportunity to develop the potential of their grey matter and that university ought not to be the privilege of the rich?

Mr. Speaker, every time we see another cut for post-secondary education, the post-secondary institutions raise the tuitions, and every time they raise the tuitions the universities become more and more a place for only those who have dollars in their pockets. That says something about the common values of being a Canadian that are being traded away in this budget.

I said a moment ago that I am from Newfoundland. In this country for the last 30 years we have had another concept that is being traded away in this budget. It was the concept of regional development, not a concept or a guarantee that every region would be equal because they will never all be equal, not a guarantee that every citizen would be equal. There can never be such a guarantee.

We always strived in this country whether we were Liberal governments and traditionally Tory governments to at least provide an opportunity for equality, the chance to succeed. When you play with medicare, and when you play with access to quality education, when you play with the basic sustenance of life, you deny that opportunity for equality of opportunity.

In the budget just brought down we again see cuts in training programs. The Minister of Finance announces forecasts that unemployment, which is now 1.3 million, is going to go up to 1.5 million—one million five hundred thousand Canadians unemployed, without a job, with no income, without the dignity of a pay cheque—one and a half million, the minister's forecast.

In the next breath he says: "By the way, I am cutting $100 million from our training budget". Is investing in training, giving skills, developing skills for Canadians an expense or is that an investment? Is that money wasted and thrown away or is that building on the most primary form of raw material of the country, the primary raw resource of the country, our people?

I suggest a $100 million cut to the Canadian Jobs Strategy is not in my judgment a wise investment. It is not a wise investment and would not be perceived as such in any of the constituencies of this country, whether we are talking low unemployment areas or high unemployment areas. But that cut has been made by the Minister of Finance and we on this side have asked the Minister of Finance, we have asked the government, to reconsider that cut. These are training dollars.

In Ontario, the great province of Ontario, they are really feeling as they have never felt the negative impact of this recession. Southern Ontario is taking a vicious beating. It is being de-industrialized.

• (1640)

The factories are closing, the workers are being sent home, but that is not the bad news. The bad news is that the factories are not reopening. They are relocating. They have gone south.

When the government brought in free trade, the Prime Minister at one point promised the most massive adjustment program that the world had ever seen. We did not get adjustment for those factory workers. Some of them who live in southern Ontario come from my province. They are now unemployed. They are coming back home again because they lost their jobs in southern Ontario.

We did not get an adjustment program in this budget. We got a $100 million cut in training funds. This budget smacks of a set of values that fly in the face of the institutional memory of government in this nation.

They are not Liberal values, New Democratic Party values or Conservative values. They are Canadian values that have evolved since 1867. They have come from the hearts, minds and souls of Canadians who distinguish themselves from that great neighbour to the south, the United States. We do not believe it is every man, woman and child for him or herself.

This is not a dog-eat-dog society. We do believe in caring and sharing. We do believe that no matter where you live, what your circumstances are, what your income is, there are some things we have in common. We are Canadians.

This budget has been written as if the Minister of Finance expected the applause that would normally be generated in the United States of America by the brutal values that are expressed in it.

Let those who have tried to suggest that this budget is really not a big deal—this budget has no big tax increase—remember that there has been a 24 per cent increase in UI premiums. It is going to raise billions. That is a tax increase.

There has been a $5 billion cut in the transfers to the provinces and so the provinces are now going to have to do what the federal government did not have the courage to do: cut programs and raise taxes.

Let those who will spend the next few months balling up their fists in anger at their provincial governments because they have cut their post-secondary programs, because they have raised tuition fees, because they have closed hospital beds remember that the source of that misery is not in the province. It is here in Ottawa.

The Minister of Finance is not fighting the deficit. He is transferring it onto the backs of the provinces. That transfer of the deficit onto the backs of the province is going to create a Canada where we have a multi-class society. Those who reside in provinces with the financial wherewithal to make up the shortfall will have one standard. Those who come from the poorer provinces will have another degree of Canadian citizenship.

This budget turns its back on Canadian history and on every Prime Minister, starting with John A. Macdonald who built the railway not because it made sense, not because it was economically viable but because he wanted to hold a nation together. He bound it together with bonds of steel.

He understood the notion of nation-building. He understood and dreamed about what kind of country this could be. This government, in six short years, most symbolized by this pathetic budget has squandered Macdonald's dream.

Mr. Cooper: Mr. Speaker, I am sorry to interrupt the questions and comments to my hon. friend, but there has been discussion among the parties in the House.

I think you will find unanimous consent for the following motion:

Government Orders

That upon the completion of proceedings on the adjournment motion today the House continue to sit, and revert to consideration of Bill C-97, the borrowing bill, and so continue until 10 p.m. today, with no superseding motions or quorum calls to be receivable during that extended sitting, and that the House adjourn at 10 p.m.; and

That on Wednesday, March 6, 1991, the House continue to sit until 10 p.m. to consider Bill C-97, under the same provisions as for Tuesday, March 5, 1991, save for the adjournment proceedings, and that any requested recorded division be deferred until 3 p.m. on Thursday March 7, 1991; and

That following adoption of this order the order for second reading and and reference to a legislative committee of Bill C-97 be changed to second reading and reference to the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Mr. Milliken: Mr. Speaker, I would like to say something on this.

We are agreeable to co-operate with the government in this way, to facilitate it in dealing with this matter. We have a lot of speakers who would like to speak on the important debate on the borrowing bill. We recognize it is effectively a part of the budget debate that we have been carrying on with for the last four days, and I may say that after the speech of the hon. member for Humber—St. Barbe—Baie Verte, all speakers on this side of the House when they are recognized will be speaking for 10 minutes, followed by five minutes of questions and comments, if that is satisfactory to the House.

Mr. Cooper: Mr. Speaker, I would like to indicate first of all our appreciation to the House for the co-operation on this matter and, second, to indicate that should the parties wish to split their times, we on this side are very happy to co-operate in that and would in fact encourage it to make sure that all members who want to speak have that opportunity.

[*Translation*]

The Acting Speaker (Mr. DeBlois): In order to make sure that hon. members understand, may I ask whether it pleases the House to adopt the motion moved by the

Parliamentary Secretary to the House Leader of the Government?

Some hon. members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): Does the House agree also that hon. members should devide their times into ten minute periods?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I would appreciate if hon. members when they rise, would indicate to the Chair whether they will speak for 10 or 20 minutes. It would be helpful, I have not yet heard the position of the New Democratic Party. Therefore I should like hon. members to do that in order to help the Chair keep track of the time.

Question and comment period. The hon. member for Souris—Moose Mountain has the floor.

[*English*]

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I would like to comment, particularly after the presentation here by the hon. member for Rosedale and the first part of the comments by the hon. member for Humber—Saint-Barbe—Baie Verte, that the level of debate in this House had risen considerably.

I was very, very pleased to hear some of the positive comments, particularly about the important values of Canada and the important things such as medicare and the programs that we as Canadians value.

I wanted to make a comment about something former premier Tommy Douglas from Saskatchewan said about medicare. And you know, in Saskatchewan, if you are a Conservative, John Diefenbaker was the founder of medicare. If you are an NDPer Tommy Douglas was. Be that as it may, in reality that is where medicare had its beginning. It was in Saskatchewan. But Tommy Douglas made the statement that if we were going to maintain medicare, and if Canadians were going to enjoy it, we had to beware of the some of the abuses and some of the costs of it.

Certainly that is what this budget embodies, dealing with some of the important things in the budget and in spending that are necessary to maintain the areas that are so important to all Canadians.

The other part of the debate this afternoon that I was very encouraged about was the level of debate with respect to the unity of the country. I would just make a statement, and I think I speak on behalf of farmers in western Canada, particularly in Saskatchewan. The hon. member for Rosedale made reference to the difficult times we have been through.

• (1650)

I want to refer to it in terms of the importance of this country working together and staying united. I believe the Minister of Agriculture indicated that about $22 billion has been paid into agriculture in the last six years.

As a farmer, we in western Canada, especially those of us in the drought area, appreciated that. Really, without the unity of Canada that would not have been possible, because that kind of money could not have come from Saskatchewan, which has been in very difficult times.

The hon. member for Humber—St. Barbe—Baie Verte mentioned the problems in Newfoundland. The unity of this country, as the member for Rosedale said at the beginning of his speech, is so important to the future, not only to the economic development, but to the understanding of how we see Canada and how we believe it to be. Certainly, dealing with the deficit and dealing with financial and economic matters is so important.

We have a wonderful country, but it is most important that we pay our way, that we deal with the deficit, that we deal with it in a way that will maintain medicare and the universal programs that we cherish, and that we deal with it in terms of dealing with a deficit that could destroy us.

I really do appreciate the debate this afternoon having a little different level to it than at other times.

Mr. Tobin: Mr. Speaker, I will take advantage of this to make a short response to the comments by the member from Saskatchewan, the Parliamentary Secretary to the Prime Minister.

The parliamentary secretary, I believe, made a comment that we ought to reflect upon when he talked about the fact that $22 billion—I think he said—had gone into the farm community in this country. I cannot think of a group of people collectively more deserving of the support of their fellow citizens. Because the $22 billion we talk about is not money that is buried in a vault in Ottawa; it is printed here, but literally it is a share of the wealth of the country that has been transferred to a particular group because the country believes there is value in supporting farmers who for many decades, along

with other primary producers, have provided the cash to keep all the rest of us going.

So that is the nature of a country, Mr. Speaker. I would simply say to the hon. member that I agree with him about those great primary producers, farmers; that they ought to be supported in difficult times, just as fishermen, primary producers who harvest the sea, ought to be supported in difficult times.

If we understand that concept of making an investment in something that has value, collectively, for the whole nation, so, too, should we commit ourselves not to a pure, bottom line, immediate, this moment, set of criteria dealing with medicare and education, but we ought to defend the integrity of medicare.

I suggest with great respect, we do not do that when we produce a budget that forecasts within a number of years some of our Canadian provinces, as many as four, will get no funding from Ottawa for medicare. The day that happens we have no national standard, and, God forbid, we may have no program.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, I listened with interest, as I always do, to my friends' comments with respect to the budget, and particularly with respect to medicare. I note as well that in *The Ottawa Citizen* of today there were some other comments with respect to medicare by well-known columnist, Marjorie Nichols. I would like to just quote a few of the comments of Marjorie Nichols of today.

In an article entitled "Medicare Furore is Fear-Mongering" Marjorie Nichols refers to comments by the former Liberal minister of health, from 1977 to 1984, who was the minister responsible for the legislation banning extra billing by the provinces, the Hon. Monique Bégin. She states that Monique Bégin over this past weekend, I believe, stated the following. Her advice to the medicare hand-wringers is to stay calm. "Medicare", she says, "is not under threat in Canada despite what the fearmongers may maintain". Marjorie Nichols goes on to say: "There is absolutely no evidence whatsoever to support allegations that the federal ceiling of 3.7 per cent on health and education transfer payments increases for the next four years"—by the way that is a ceiling on increases—"will bankrupt provinces or jeopardize health care. On the contrary, the evidence is that the provinces have not been shouldering their fair share of increased social costs or exercising proper fiscal prudence. The share of provincial budgets that's spent on health care hasn't increased in 20 years".

The hon. member indicated that he supports the concept of deficit and debt reduction. I have yet to hear him indicate support for one measure either in expenditure reduction or in taxation increase which would support that goal that he says he has. I would like him to advise me of one measure of deficit reduction that he would support.

The Acting Speaker (Mr. DeBlois): The hon. member for Humber—St. Barbe—Baie Verte has one minute.

Mr. Tobin: I hope the Speaker will allow me an appropriate time to respond to a question that was two or three minutes.

The first answer to the hon. minister's question: how should the deficit be cut? We could start by getting rid of the 40 ministries that is in the current cabinet which makes this the most bloated cabinet in Canadian history. The cabinet previous to this one was 26 ministries.

The hon. member who was a great spokesman as a backbencher for housing problems—in fact, I am convinced they put him in the cabinet to keep him quiet—has presided over and now almost has the title, and I hope he will take this in good humour, the minister of homelessness. He was a great spokesman for housing as a backbencher but he has presided over consistent cuts in the housing department, $400 million in this cut for housing for poor people in this country.

I would have thought the minister would have been preoccupied with fighting for those people for whom he was such a valiant articulate spokesperson before he got the chauffeur and limousine.

With respect to Marjorie Nichols, I think her problem is that she resides in Ottawa and not in St. Anthony; that she resides in Ottawa and not in Prince Rupert; that she resides in Ottawa and not in Rimouski; that she resides in Ottawa and not in Corner Brook. If she was out there in the real world, may I say—I reside in Ottawa too sometimes—away from the splendour of these stained glass windows and these fine, well-appointed benches that they provide for both members and for journalist, she would understand that people are hurting. The system is already bloated; it is already swollen; it barely works in some places already and people are not getting the health care they deserve.

These last cuts are just killing cuts, destroying medicare in this country.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I see by the clock I do not have a great deal of time but I would certainly be pleased to begin because I think it is an important debate. Perhaps I will use the one minute to talk about why we are here to debate.

This Bill C-97 is before the House under the Financial Administration Act, section 43, which says in essence that no money shall be borrowed or security issued by or on behalf of Her Majesty without the authority of Parliament.

I think reflecting on the events of the last year it is important for us to remember that it is this body here, consistent with hundreds of years of tradition that has the responsibility to raise money to be spent on behalf of the Canadian people. That is what this bill does. It authorizes the government to borrow up to $26.4 billion to do the affairs of the nation as set forth in the budgetary plans of the government.

What this bill is about, of course, is debt. We have some talk about debt, though I must confess I am left somewhat confused by the remarks of some of my hon. friends opposite who seem to feel that the government should spend, spend, spend and then not raise any taxes to cover the expenditures. I have to tell you, Mr. Speaker, that it has always been my impression that in order to balance the books, which is the proper way to handle affairs, not only as an individual, but the affairs of a nation, you must raise revenues and balance them with expenditures and have them come together.

Curiously enough, Mr. Speaker—did you wish to call the time or may I continue. Very well, I will continue later.

The Acting Speaker (Mr. DeBlois): It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

MEASURE TO AMEND

Mr. David Kilgour (Edmonton Southeast) moved that Bill C-343, an Act to amend the Members of Parliament Retiring Allowances Act (government employment), be read the second time and referred to a legislative committee.

He said: Mr. Speaker, I would like to start by thanking the hon. member for Kingston and the Islands for seconding this motion. Since the hon. member sits on the Committee on Privileges and Elections, his support is a clear indication he did not vote against this motion a few weeks ago.

Mr. Gauthier: Explain!

Mr. Kilgour (Edmonton Southeast): Of course. The hon. member would like some explanations. You may know, Mr. Speaker, that this bill went before the Committee on Privileges and Elections, and I made a few representations at that time. Finally, it seems the committee voted against this bill. I was not present because this took place behind closed doors. I hope this bill will find solid support.

[*English*]

Perhaps it will surprise you to know, Mr. Speaker, that I will not speak very long. I will be as brief as I can so that other members can speak. I urge, which will not surprise you, other members, particularly those on the government side, not to be standing at six o'clock when the debate ends because, if they do, lest anyone have any doubts, they will of course be in effect burying this bill, and it is a bill that I do not believe should be buried.

Let me, though, make the point in starting that apparently there have been some concerns expressed that not only would this bill prevent double-dipping, which of course is when MPs retire after six years, they can take jobs as judges or all sorts of other federal jobs and can continue to draw their MP pensions. At the

same time they are drawing in many cases high salaries as federal officials. There is concern that the reference to 60 years of age in the bill means that somebody after 60 can double-dip but not before.

I did not wish to mix up these two principles, namely that you should not be able to draw a pension at 60 because you have been an MP and the question of double-dipping. If anybody is considering either talking the bill out or voting against it, should it come to a vote because of the 60 years provision in it, I hope they will take it to committee and we will simply take out the 60 years there, if that is what is on his or her mind. If the bill goes to committee, it can be dealt with in that respect in committee.

According to Robert Brown, president of the Canadian Institute of Actuaries, when referring to the federal MPs' plan:

> If a private company's pension plan was in such terrible shape as the federal, it would go out of business.

The terrible shape that—

An hon. member: Are you doing that?

Mr. Kilgour: I think I remember that member. Was he not in committee the day they did not want to make this a votable matter?

The terrible shape that Brown referred to was the $144 million deficit of the MP pension fund which ultimately will be carried by our fellow citizens, 26 million of them, the Canadian taxpayer.

An hon. member: Oh, oh.

Mr. Kilgour: Mr. Speaker, I seem to have touched a sensitive nerve with that member. I wonder why.

Mr. Bjornson: I just want him to explain what he means.

Mr. Kilgour: The member will have a chance afterward. I wonder if he will be the brave one to be standing at six o'clock when you, Sir, say the debate is finished. If he is, I think his constituents will be very interested in seeing his face on television at six o'clock.

An MP with a minimum of six years service in this House upon retirement, quitting politics or being defeated in an election—and I suggest there are a lot of members on that side of the House who will fall into that category after the next election— is now able to collect his or her pension for life immediately, whether he or she is 22, 32, 42 or whatever.

In addition, these pensions are fully indexed to the cost of living for those more than 60 years of age by an amendment in 1973. Who was in office then? I know who was in office then. It was not those opposite.

An hon. member: It was the Liberals.

Mr. Kilgour: He got the joke, Mr. Speaker. He got the joke.

The pensions are more generous than the maximum legal level in the private sector plan, as was recently noted by David Somerville, president of the National Citizens Coalition.

Mr. Bjornson: Another expert.

Mr. Kilgour: Mr. Speaker, to the Conservative member opposite, at least he pays for his own pension plan. They are income subsidies for people who retire or get fired by the electorates. In the private sector, a tax-paying citizen cannot collect his or her pension until the age of 65, or in some cases 60, as I am sure you know, Sir. On the other hand, former MPs do not have any age limit.

Last year the Canadian government paid out $7.6 million in the pensions of MPs. It has been estimated that the present plan, unless changed, will cost between $500,000 to $5 million per MP from the time they collect the pension until age 75. That MP opposite seems strangely silent.

This benefit will be paid to an MP even though he or she is still on the government payroll. To Conservative members opposite, do they remember the $400 billion debt we got? Their finance minister, the man to whom they give standing ovations when he coughs, is the one who has added more red ink and more debt to this country than all other finance ministers in Canadian history.

A good number of former MPs are appointed federal judges or to a host of other positions in the national government. Let me use the name of Mark MacGuigan, because he used to be my professor, an hon. member who is now a judge of the Federal Court or Ed Broadbent—

Ms. Mitchell: A Liberal.

Mr. Kilgour: Is Ed Broadbent a Liberal now, to the member for Vancouver East? Should they be permitted to draw MP pensions while being paid high salaries in federal jobs?

To the member for Kamloops, what does Mr. Broadbent earn these days?

Mr. Riis: He is not a turncoat like somebody else I know.

Mr. Kilgour: To the member for Kamloops, that is a red herring.

An hon. member: So they agree that those pensions should be paid. The NDP agrees. I cannot believe it.

Mr. Kilgour: They will have the chance to get up in a few minutes. We will see if they have the courage to be standing at six o'clock.

For this pension, an MP is required to contribute only 11 per cent of his or her salary, whereas Canadian taxpayers pay the rest. My understanding is that the share for the taxpayer of our pension plan is currently in the 70 per cent range.

At a time when the government is reducing social, educational, and hospital spending and continuing to talk restraint for others, not walking its talk but talking its talk—

Mr. Riis: Can you say that again?

Mr. Kilgour: Walking its talk. I can only say it twice for the member for Kamloops, because then I become boring to the other members.

When it comes to benefits for politicians, leadership requires more than talk. Example is what is needed and what better place to start than on MP pensions. It is argued that a good pension and a decent salary are necessary to attract men and women into sacrificing private careers to gamble on ones in elected public service. This argument is valid to a certain point, but one needs to define what is a healthy pension and what is a decent salary.

The average income for Canadians, according to Statistics Canada, was $23,709 per person. Out of this income they have to pay taxes—32 additional taxes since 1984, I believe—keep up their homes and meet other living expenses. As of January 1 they must, of course, pay the unfortunate 7 per cent GST for many goods and services. Few can receive their pensions before the age of 65. The base salary of an MP is $62,100 per year, with a $20,000 tax-free allowance, and recently a further $6,000 in housing and other expense allowance. You have to claim on that and you have to provide receipts.

• (1710)

Additional privileges such as 64 first-class return air fares—

Mr. Bjornson: First-class.

Mr. Kilgour: Take my word for it, it is 64 passes, first-class passes. I mention that to the member for Orillia.

Mrs. Anderson: I am not from Orillia either.

Mr. Kilgour: Barrie, Barrie.

Free VIA Rail passes for spouses and dependent children, subsidized meals at parliamentary restaurants, happily getting less so, and the early pension benefit already mentioned.

The gap between MPs and other Canadians is wide and getting wider. It explains in part the wide-spread view that MPs only look to serve their own interests.

I saw a poll recently that, I think, showed about 65 per cent of Canadians think that MPs are mostly interested in money. The sentiment is further strengthened when those decisions are made by a private committee, an all-party Standing Committee on Management and Members' Services which meets in secret, keeps no record of votes—if I am wrong on that I hope the hon. member for Kingston and the Islands will correct me—and does not publish any minutes or reports.

It is true that an MP's career is an insecure one, especially these days, and the average is tenure now between five and seven years. Moreover, as all members know, an MP's life includes pressures and burdens such as travel, family separation, loss of privacy, handling parliamentary and constituency responsibilities, and so on. Yet, it is a calling that all of us have chosen freely. As far as I know none of us was forced to run for office—all of us chose to run for office—an opportunity that is not afforded to all of our fellow citizens. No one was ever forced to run for Parliament.

Is it not therefore appropriate to pay us pensions that will add as of now $144 million to the national debt?

Ms. Mitchell: Mr. Speaker, I just feel it is necessary to intervene again to ask the member to please, even though he is quoting, to clarify the language. We do have female members of Parliament in this place.

Mr. Kilgour: Mr. Speaker, I should know better. The member and I were on a panel together recently in Vancouver and I hope I did not make that mistake there, especially having three daughters—and one son.

In conclusion, I propose Bill C-43 because it would reduce the deficit in the pension fund. Equally important, it puts MPs' pension benefits to be collected at an appropriate age with the law applied as with every other Canadian citizen with their pension.

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I am pleased to have an opportunity to participate in this debate. I must say I listened with great interest to the hon. member for Edmonton Southeast and the concern that he is showing, quite sincerely I am sure, with the public purse and propriety.

I cannot help but wonder, since he has some concern about the collecting of pensions after people leave Parliament and whether or not it is the proper thing for them to collect funds on the basis set forth in the current plan, and I noticed when he chose to abandon the party under whose banner he was elected, and it was suggested that possibly it would be appropriate, indeed principled, if he were to—

Mr. Kilgour: The member forgets, Mr. Speaker. I did not abandon the party. I was expelled from the party.

Mr. McCreath: Mr. Speaker, when you seek public office under a certain banner, under a certain set of policies, and then choose to abandon those policies because they seem momentarily unpopular with the public, it seems to me you have abandoned the party and the banner under which you ran and, indeed, were elected.

Nevertheless, if my hon. friend is so certain that the position he puts forward is correct, I wonder why he did not accept the invitation given to him by so many people to put his money where his mouth is, to resign his seat and re-offer it, be it as an Independent or now as a Liberal candidate.

However, I will not make those points as tempted as I am to raise them at this time. What I really want to talk about is the bill that he brings forward, again something that would seem to play to that which on the surface is very popular with the public.

There is no question if somebody happens to get elected to this House at a very young age, unlike myself I might say, and serves here for a period of time, they do have the potential of drawing a very generous and ample pension for the rest of their lives. Perhaps that is something that should be looked at. However, I think the principle being put forward here is a very simplistic one. Let us very seriously look at the issue before us.

Do we wish to attract capable men and women to stand for public office in this country? What are the bases upon which it is not only attractive but, on a more practical level, possible for people to seek public office?

If the only requirement is that you be rich, then it is no problem. Then it does not even matter whether they pay you or not, and it does not matter whether there is a pension plan.

But I ask: What about the mid-stream professional? Most people do not come to this place in their twenties or indeed in their thirties. Most people come to this place later on in their lives. One need only look around the room and note the sprinkling of grey hair here and there to note that most people come here either mid-way in their professions or indeed later on. If they come later on, then the problem which my hon. friend is trying to solve by his bill simply does not exist. However, if they come here in mid-stream, what are the sacrifices they have to make on behalf of their families?

He quite rightly points out that nobody forces us to come, but they sure urge us to. They come forward, and we want good people to stand. There are questions as to viability. For example, somebody may have been 17, 18, 19 years in their profession and in their mid-forties or late forties. Maybe they have paid for 17 or 18 years into a pension scheme, and they have to abandon that to come to Parliament and start all over again.

Are we going to attract people to come here, if in fact to come here means to throw their family's financial security on a trash heap? That is really the implication of what is being suggested, it seems to me, if we look at the majority of people who stand for public office in this country.

I do not think Parliament should be abandoned to simply the rich people. We look at the desirable aspects of MPs' pension schemes and one is tempted to say: "Boy, you fellows really have a good deal". But, then, let us look at the nature of the employment.

I served for 17 years in my profession, education, in my own province of Nova Scotia. When I came here, I had 17 years in my teacher's pension plan. Of course in order to draw a pension I have to go back and work for a few more years, and I know my hon. friends opposite will do their best to see that I have that opportunity at the next election.

But there are other elements of employment in other places, the most principal of which is security of tenure. One can reasonably anticipate, on embarking in a career, that one can stay there until retirement, until one is qualified to earn a pension. Let us face it: there is not that kind of security here, and the practical realities sometime interfere.

My hon. friend talks about the amount of money that the public pays for MPs' pensions. He then proceeds to talk about all the other things that MPs are paid. I would challenge him to name any other pension scheme in this country where the participant in the scheme pays 10 per cent. I know that in my old profession in education, six to seven per cent was the normal range of contribution that was paid.

I guess what I am saying is that I am not sure one can compare apples and oranges and then draw simplistic conclusions such as his friends in the National Citizens Coalition like to do.

What I would like to see, not only for MPs but for all Canadians, is a portable pension attached to the individual so that people do not become the captives of their employers as so often they do.

• (1720)

Over the years when I worked for teachers in Nova Scotia, I would have teachers come in and see me who would be burnt out, who would be tired of the profession, who would be ready for a job change, and they would say: "I have been in teaching for 21 years. I am 47 years old and I am burnt out. I want to do something else, but I cannot leave because of the pension. I am locked in for life; I have to stay here".

Why do we not look ahead in pension reform and look to the notion where every Canadian, on birth, is in effect registered for a pension. Throughout the course of their career, whether they are employed or whether they are self-employed, as they achieve earnings they make contributions to their personal pension scheme. That leaves them in a situation where down the line they have an opportunity to make their own decisions about their own pensions. If they want to retire early, they have an option to do that. If they wish certain options with respect to how they draw their pension back, that opportunity exists. It is a system, for example, that is used in the province of Saskatchewan. The teachers in Saskatchewan have an individual purchase pension scheme.

What I am talking about here is the concept that you have a pension that is attached to you. If you choose to move from vocation to vocation, from employer to employer, you have your own pension and your pension serves your particular interests and indeed ultimately serves your particular needs. Along the way, your employers would contribute, just as they do with pension schemes now. If you are self-employed, you would have the option to increase the amount you put in. Indeed, people could put in varying amounts, although I believe there should be a minimum. Otherwise, some people would say that they do not need it and then later on in life they would find out that they did, but that they had not been very wise financial planners. Perhaps we should be looking in a more comprehensive way, not just at MP's pensions, but at the pension needs of all Canadians.

The particular bill before us does have some specific problems, and I will briefly mention them, Mr. Speaker, before allowing somebody else an opportunity to participate.

First, it deals with only one aspect of the pension scheme as it affects members of Parliament. Indeed, it seems to me that you have to look at the whole package. I would commend to my hon. friend from Edmonton Southeast, who in trying to solve this problem has brought this piece of legislation forward, that perhaps a more appropriate time to deal with MP's pensions along with others is when the President of the Treasury Board brings forward the Comprehensive Public Sector Pension Reform bill which he is going to be bringing before this House. It seems to me that that would be the appropriate context in which to examine MPs' pensions as well.

There are also technical problems with this bill, problems relating to the lack of transitional arrangements. If this is not remedied, the provisions of the bill could, for example, be applied retroactively to former members, and so on. There are some missing elements with respect to the inadequacy of definitions of such things as "part-time" and "public service".

In conclusion, I would like to say that I think pensions are an appropriate thing for members of Parliament to talk about. But I think for them just to talk about pensions that affect themselves is not really a constructive and valuable use of Parliament's time. We should be concerning ourselves with pensions as they affect all Canadians. One of the things that provides for an appropriate social safety net is a pension scheme that accommodates and looks after the needs of all Canadians. And that is what I think Parliament should devote its time to.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I am pleased to have an opportunity to say a few words regarding this private member's initiative, Bill C-343, introduced by the hon. member for Edmonton Southeast.

I think for people watching this debate, I simply want to take a moment to read the critical clause in this legislation. It refers, of course, to the act regarding members of Parliament retiring allowances. This particular bill says:

> Notwithstanding other provisions in this or any other Act of Parliament, no allowance payable under this Act shall be paid to a former member where the member is employed in the public service of Canada on a full or part-time basis and is less than sixty years old.

This is a very interesting suggestion on behalf of the hon. member and obviously reflects the concerns of a number of people. I submit that it actually only reflects part of a set of concerns. I know that the member himself went to some length to point out a whole set of areas of concern and I think most of us are familiar with them. I have to, with all due respect—and Mr. Speaker, you know that I mean this—have to ask how serious the hon. member is in his wish to actually advance this private member's bill or is it simply his intention to make a public statement.

He has been around here longer than I have. He knows that if the legislation is drawn in the regular draw for Private Members' Business, be it a motion or a bill, the first obligation one has is to convince the appropriate committee that this ought to be a motion where a specific vote is eventually taken. That takes a good deal of discussion, formal and informal, perhaps to use the too often quoted term, lobbying members on the committee to point out the value of a vote. Obviously my hon. colleague was unable to convince his colleagues that this was an appropriate measure to vote on, which I think was the first reason I kind of questioned the sincerity of this initiative.

Second, once one fails there, as we have often seen, then it is up to members of Parliament to discuss with their colleagues here in the House of Commons, in a sense, two alternatives: that we do have an understanding among ourselves that this is an issue that ought to be put to a vote and consequently members keep their comments to a minimum and we eventually get to a vote.

I notice with interest that the member for Edmonton Southeast spoke for most of his time, which was almost twice what was allowed us.

Mr. Milliken: No, no, much less.

Mr. Riis: Concerning this intervention by the hon. member for Kingston and the Islands, I was watching and while it was not the entire 20 minutes, it was nearly that. Again, I wonder about the purpose of this initiative.

Second, we have on many occasions, and my hon. friends opposite will know this because they are always part of the serious deliberations, where we among ourselves arrange to send the content of the bill to the appropriate committee for consideration and study. That is another alternative.

Neither of these has been done. There have been no informal discussions, no formal discussions, no chats, no lobbying. In other words, again I have to simply assume that this is a public relations exercise and the hon. member's motives and intentions quite frankly are simply not there. Otherwise these discussions would have taken place as they do on a regular basis.

An hon. member: Stay to the point.

Mr. Riis: I am just trying to explain to my hon. friend that it is not as though the member for Edmonton Southeast is a new member and consequently does not understand how this place operates. He knows only too well how it operates, having been a very, if you like, proficient member when it comes to procedural argu-

ments. I know he understands well how you move legislation through this institution.

Let us say that the point that my hon. friend from Edmonton Southeast makes is a very interesting one. It is a concern shared by many Canadians. It is a concern that is discussed among the members of various caucuses and I, quite frankly, agree that this is worthy of some consideration; that the matter of these pensions ought to be reviewed as in so many other areas. He has actually mentioned a few of them in his opening remarks.

Let us face it, this essentially deals only with double-dipping. Double-dipping is something that concerns most Canadians who have studied this issue but there are a lot of other related issues. I notice his colleague, an elected member, never comes to this place and I suspect collects his pay cheque regularly, week after week, month after month and I have not seen him here more than probably—well, I have not seen him for months, quite frankly, with one exception when he made one speech.

The point is, there are a whole host of areas where we have to ask: Are members of Parliament doing the job that was intended of them? Are they being compensated in a fair way in relation primarily to other public institutions and the private sector? These are questions that are more than legitimate to ask.

Mr. Kilgour: We can only deal with one at a time.

Mr. Riis: My hon. friend says that we can only deal with one at a time. I beg to differ. I am quite capable of dealing with two or three issues at once. I do not need it piecemeal.

• (1730)

I do not question, I suppose, the importance of this at all, but I do question whether or not, if we are talking about changes to the pension plan and the pension program as it affects members of Parliament, we want to take it simply piece by piece—the whole matter not ought to be considered and reviewed appropriately—my experience has been that that is the best way to approach most items as opposed to *ad hoc*, piecemeal process.

I listened with interest to my colleague who spoke most recently and I have to say that I think he is dead on when he says: "Yes, the whole matter of pensions must be reviewed". If there was a sense that—

Mrs. Gaffney: So isn't this a step in the right direction?

Mr. Riis: Do I hear echoes in here? "Isn't this a step in the right direction?"

I suppose I can say that this is a step in the right direction, but why take a tiny, minute step? If we are serious about the whole thing, let's just deal with this in a comprehensive, upfront, on-the-table, full discussion as opposed to a tiny step in the right direction. This is the way we handle too many things.

My hon. friend opposite makes the point—I think he is very close to the truth—when he says: "Listen, this ought to take place not in isolation, but let us talk about the pension system generally".

If you want to move beyond this, what are the concerns that people have about the portability of pensions generally? The fact is that there are people with good pensions, others with no pensions, and a whole lot of people with inadequate pensions.

Therefore, why not as a Parliament say that this is a number one priority, carry out a comprehensive pension analysis and examine the members of Parliament pensions, the Public Service pensions, a whole variety of private pension plans and the way they approach it provincially and federally as well in one context.

Then we can evaluate seriously one from another. I say I generally support that initiative. I support my hon. colleague when he says that consideration and review of this whole area is an appropriate matter.

Mr. Kilgour: I'm for everything.

Mr. Riis: My hon. friend says that he is for everything. He may be for everything. I am not for everything. There are a whole number of areas that I may say I don't support, but in terms of the kind of discussion we are having today, I find it most fruitful.

In closing, I want to say one concern.

Mr. Milliken: Tell us if you support the bill.

Mr. Riis: I believe that a review is more than appropriate, but I say to my hon. friend with all sincerity that if he was serious, why would he not have spoken to the

different caucuses to move this legislation through? There have been no discussions, no conversations and he has been here long enough to know that that is how you move legislation.

If he simply wants to make a statement of self-adulation in terms of representing an issue, this is the way to do it because you know it will not be advanced. However, I leave that for people to judge on their own. Certainly, it would not be for me to impugn the motives of my hon. friend.

In closing, Mr. Speaker, can I simply draw attention to the one clause that the member for Edmonton Southeast referred to, and that is, the whole matter of the age limit of 60. I do believe that when we get to committee this ought to be something that we look at very seriously because, let us face it, based on the Charter of Rights and Freedoms I am not certain that we want to put those kinds of elements into the bill.

There may be an argument. I have not heard it, but I am certain it will be open to consideration.

Mr. Milliken: Mr. Speaker, on a point of order. There have been some discussions between the parties. I think you will find the disposition in the speech of the hon. member for Winnipeg North that he split his time with the hon. member for Nepean, each getting five minutes maximum.

The Acting Speaker (Mr. DeBlois): The hon. member for Winnipeg North for five minutes.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I rise to speak on this bill introduced by my colleague, the member for Edmonton Southeast.

I am sure that later, my colleague from St. Boniface would join me in support as well as other colleagues on this side of the House.

Before I proceed further, I would just like to reiterate two basic questions as posed by the 1989 Commission to Review Allowances of Members of Parliament. And I will give my answers.

First, do we as Canadians want to have the most qualified people governing the country? The answer is, yes.

Second, are we prepared to compensate them adequately for the responsibility we ask them to assume? The answer is, yes.

Mr. Bjornson: Is that part of the Reform Party platform?"

Mr. Pagtakhan: Mr. Speaker, if the member from Selkirk would be polite enough perhaps he would like to listen to some pearls of wisdom.

Let me state the purpose of this bill as stated by the sponsor. It is to "prevent a former member of the Senate or the House of Commons from receiving a retirement allowance while the member is employed on a full or part-time basis and is not 60 years of age". This bill, an act to amend the Members of Parliament Retirement Allowances Act, is numbered C-343.

Bill C-343 is a bill about fairness. Is it fair for politicians to raise themselves above the people they serve, ignoring the rules of the private sector, to award themselves pensions of the type that now exist?

The MP pension plan flaunts at least two principles accepted in the private sector from my way of thinking. The first is the 10-year rule. MPs need work only six years before receiving a pension. Everyone else must work 10 years at least. The second principle is waiting until one is 60 years of age before receiving pensions. The average citizens, whom we are sworn to serve, do not have another option. They must wait. MPs bypass this waiting period, accessing their pensions immediately after they lose their seat or decide to leave it.

The spouse of a member receives that member's pension after death, no matter how young or successful or otherwise wealthy that widow or widower may be.

I submit that these pensions are pensions of privilege. The Parliament pension funds collect more than twice as fast as the rate allowed for pensions in the private sector, giving former members of Parliament a much greater amount to retire on than a private citizen who has worked the same amount of time. This is something I find objectionable. There should be uniformity in the system. Our pensions should not be the pensions of privilege. What kind of example does that offer to Canadians?

Most of us were middle-class working men and women before our term here in Parliament. Before being elected in 1988, I was a doctor in practice and a professor

in the faculty of medicine. If I were to leave politics and return to this work should I decide or the electorate decide, I feel it would be wrong for me to ask Canadians to pay me a pension-salary when I would no longer be working on their behalf. There is no reason why I should not have to wait until I am 60 at least, around the same age as most citizens before they receive their pensions.

At this time, members of Parliament are adequately paid for their services. We receive a base salary of $62,100 per year and other expense allowances. Some may argue politicians leave high-paying jobs in the private sector to work for the public. Maybe so, but those people weigh their decision carefully and set their priorities in order. It should not be the burden of the people to overly compensate these politicians or any other politicians in the years after they leave Parliament Hill.

In conclusion, this bill asks us simply to make pensions less generous than they are now, to send a clear message to Canadians that we members of Parliament genuinely recognize that our country faces serious economic problems and that we sincerely care to address them.

I support this bill to send a clear and correct signal to all our constituents and to all Canadians in the interest of fairness.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am also very pleased to speak in support of my colleague from Edmonton Southeast on Bill C-343 which is an act to amend the Members of Parliament Retiring Allowances Act.

I probably will not use my five minutes, but I feel that it is terribly important to recognize that this bill, although maybe general in nature, it is the principle and the intent of the bill that is so important to us as members of Parliament and to Canadians in general, and I support that.

• (1740)

I find it hypocritical that someone in the private sector who might get laid off from their job, or might get transferred to another company within the private sector in another area of Canada, does not have the same privileges as we do as members of Parliament under the present legislation.

If you think back to anyone holding municipal government office, they are not allowed to collect that pension until they reach 60 years of age. After 10 years their pension is locked in and they may not withdraw it after that 10-year period, nor may they claim it until they reach 60 years of age, and I think that is appropriate.

I think of members of the armed services who might retire at, say, 50 years of age and are still obviously able to work. If they work for the federal government, it is my understanding that they are not allowed to collect that pension from National Defence as long as they are an employee of the federal government. So there seems to be a double standard here. We mentioned former leader of the New Democratic Party, Mr. Ed Broadbent who was a member of Parliament for a good many years. Mr. Broadbent is receiving a very large pension and is now working for the federal government as the chair of a major commission and collecting a very large salary.

We have widowers and widows who are living on very limited income. We have a country whose economy is very tight today. We have people who are unemployed, and I think we as members of Parliament must show some compassion and some consideration. I think this bill, although it perhaps does not go as far as it should go, is a step in the right direction and we, as members of Parliament, have got to show that responsibility and move forward.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, we are now discussing Bill C-343 which raises the question whether a former member of Parliament may continue to receive pension payments if he has joined the ranks of the federal Public Service.

As you know, Mr. Speaker, at the present time, members of the House of Commons can receive a retirement allowance under the Members of Parliament Retiring Allowances Act, according to which an allowance is payable upon retirement to members who have contributed to the Retiring Allowances Account for at least six years.

The amount of the allowance is based on the number of years of pensionable service. Under the existing Members of Parliament Retiring Allowances Act, members who have served at least six years in the House of Commons are entitled to a retirement allowance as soon as they cease to be a member, i.e. on the day they resign, the day of their decease or when they go down to defeat

in an election. The surviving spouse and children of a deceased member are entitled to receive the allowance.

Perhaps I may recall, Mr. Speaker, and I think this is very important, that during our years of service, each one of us must contribute to the Retiring Allowances Account an amount equivalent to 10 per cent of our sessional indemnity. These contributions are deducted at source on each paycheque.

Those members who have supplementary indemnities as a result of additional duties—ministers, for instance—may elect to pay a contribution equal to more than 10 per cent of this indemnity. This is an important point, because we contribute directly to our pension fund during our term of office.

Everyone knows, Mr. Speaker, that an MP's work is very demanding, both professionally and personally. Many left far more lucrative jobs to come and spend some time working on building up and improving the living conditions of Canadians. We do so by conviction, to defend the ideas which we believe in and which we feel are in the best interests of all our fellow citizens.

Mr. Speaker, we all know that members of Parliament are a long way off from job security.

It does not matter what government level an individual chooses to get involved in, he never knows when he will find himself without a job. Such is democracy and I for one can only say that I agree with the system. It is up to the people to pick their representatives under the provisions of the electoral process and in light of their priorities at the time. The principle of democracy is basic and nondebatable, as far as I am concerned, and I sincerely hope that some day all human beings will be able to live under a system where each man's and each woman's right to an opinion is respected. The principle underlying the electoral process is the very foundation of the citizen's democratic choice, and that is as it should be.

But political life does create a number of difficulties, such as separation from one's family, extremely long hours, and a heavy workload, just to mention a few. All those who are or have been active in politics know that, as do others who have been closely associated with someone in this field. Throughout our mandate we have to forget all about our personal life. Ninety five per cent of our time, thoughts and activities are centred on our parliamentary duties, be it in our ridings or here in Ottawa.

Ours are exacting responsibilities, but seldom do we have an opportunity to talk about this kind of personal considerations which are unknown to the public at large.

Regardless of our political affiliation, all members carry a heavy burden which calls for big sacrifices. I suggest this must be said as we are debating the matter of parliamentary privileges. But that is the choice we make when we decide to enter politics, and we must live up to our responsibilities.

A moment ago I alluded to the fact that we have no job security. I have more to say about it because I think it is an important aspect of today's debate.

Indeed the enduring financial insecurity which comes with the iffy nature of our occupation is part and parcel of political life. I refer to this because it is an essential issue for all citizens, men and women alike and regardless of financial standing, if ever they should choose to run for elected office.

Given the precarious nature of our profession, we ought not to withdraw the few privileges which are attached to the position and which make it possible for any man or woman in Canada to enter the political arena. We might discourage from running some excellent prospects who already know that they would be deprived of the benefits they enjoy in their current occupation or, conversely, make it possible only for the affluent to run. We would be yielding to a financial elite who could afford the luxury of going into politics, which is certainly not what we want or wish. If they so desire, all citizens should have the opportunity to seek votes, thereby ensuring that Quebecers and Canadians continue to be represented by their peers from all walks of life.

I shall never accept for instance that a small businessman who could make a major contribution to our society be prevented from doing so, for he would have everything to lose as far as his future is concerned. Likewise, I shall never accept either that a person who is not financially secure should renounce his or her ambition of sitting in this House because he or she lacks the wherewithal in view of the insufficient salaries or retirement benefits associated with the job to represent people of the same social standing.

This would be absolutely unfair and unacceptable. Far from contributing to the progress of our society, we would cause it to lose ground by depriving ourselves of the talent of these men and women with so much to contribute to our society. While trying to increase the number of women in politics, I am afraid we would be excluding them altogether because it is a well-known fact that women are often less affluent than men. Mr. Speaker, I suggest that this is a consideration we should really ponder upon.

There is another point in the bill introduced by my honourable friend which puzzles me. Why indeed should a former member of Parliament who went on to work for the Public Service of Canada not receive this retirement allowance before turning 60 years old, when the same rule would not apply to former members working in the provincial Public Service or in the private sector?

• (1750)

It seems to me that to pass this bill would be a serious breach of the equal opportunities principle. I think that the members of this House should ponder on this. I wonder if it would not be against the Canadian Charter of Rights and Freedoms, which guarantees, as a fundamental principle, the right to equality.

Unfortunately, Mr. Speaker, I see that my time is up.

The Acting Speaker (Mr. DeBlois): The hon. member for Louis-Hébert has one minute left.

Mrs. Duplessis: Good, thank you.

Looking at the intent of the bill and its potential impact, I also wonder whether it is advisable, Mr. Speaker, to legislate only on the eligibility of a former parliamentarian to pension benefits when he or she has joined the Public Service of Canada. Is this the most urgent issue we have to address regarding all the pension plans in the Public Service of Canada, plans which were introduced by the Parliament?

All members of this House know full well that there are many other aspects of the plans provided under the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, and of our own plan under the Members of Parliament Retiring Allowances Act. Considering the wide variety of current problems and the complexity of the existing plans, I would tend to agree that we should avoid looking into changing any element of a plan taken individually. It would certainly be wiser, Mr. Speaker, to consider each element of the plans as part of a whole set of changes designed to update and modernize pension plans throughout the Public Service of Canada.

Assuming we firmly believed that an issue so urgent and important exists that it should take precedence over any other, would it be fair to devote only the little time we have to the situation Bill C-343 attempts to address? What is most urgently needed? To deal with the complaints of those who dread to see a handfull of parliamentarians receive allowances once they have become federal public servants?

Mr. Speaker, I hope that the minister will table in the near future his bill containing all the changes he intends to make to pension plans.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am extremely pleased to be able to support this particular bill which will bring I believe, if it were to be enacted, a sense of fairness in the whole scheme of pensions. I am delighted to join my colleague from Nepean, my colleague from Winnipeg North and I am told that my colleague from Thunder Bay—Nipigon, as well as my colleague from Winnipeg St. James, support this bill in principle.

There is in fact a double standard. We also make our own decisions with respect to our funding, our salaries and benefits and frankly, that could be and should be questioned.

It is when government is slashing health, education and social programs that people are really getting very, very upset. We can understand that. They see this kind of cutting back and they see us with fairly lucrative salaries, benefits and pensions and they become increasingly angry.

I will give a couple of examples. I hate examples because they tend to exaggerate and suggest that they go to the whole. I want to make that point very, very clear. This is not the case. There are some people who are not nearly as well off as others because of their circumstances. For example, and I am not picking on the Minister of National Health and Welfare, but he happens to be my example. He came in rather young. If he were to retire today and if he were to live to be 75 years old, and I suspect as cranky as he can get every once in a

while he will go away beyond that, he would be paid over $5 million in pension.

Many of you will know for example that it takes us only 10 years to get 50 per cent of our salary, but it takes the other Canadians 25 years to attain 50 per cent of their salaries. Most Canadians do not like that one little bit. You know as well that our cap is 75 per cent of our salary, Mr. Speaker, while for other Canadians it is 70 per cent, and there is no happiness there.

With respect to retirement before 60, there is a 2 to 3 per cent penalty per year for other Canadians and none for us and that does not seem to be fair at all. Many of you have heard about "double-dipping" even today. I do not want to pick on anyone in particular but I have to use examples. Former cabinet minister Erik Nielsen retired a few years ago and got 75 per cent of his pension at that time, indexed since retirement until now, and $133,000 as president of the National Transportation Agency.

That is a lot of money, particularly when you think of the 5 million Canadians out there. There is a double standard, and I am not sure that we ought to be doing this all by ourselves.

What should we do? Let's consider an independent third party to address questions of salary, pensions, allowances, and other remuneration. Why not account for expenditures if it is going to make Canadians feel a lot better? With respect to future increases, looking at what is happening in the private and public sectors, there ought to be things that we are doing.

I believe that we need to do something like that. We need to look at questions of transferability of our own pensions to the private sector as opposed to having a separate one. We need to look at the possibility of continuing our own pension plans when we come here.

I could have spoken a lot longer, Mr. Speaker, but I notice that you are giving me the signal. I simply want to say that—

[*Translation*]

—yes, there is a double standard, and we should not be the ones to make decisions regarding our own salaries and benefits. I think that should be someone else's responsibility.

[*English*]

Miss Deborah Grey (Beaver River): Mr. Speaker, I would like to speak very briefly on this. I appreciate the hon. member for Edmonton Southeast bringing forward Bill C-343. I know that it is certainly not popular on many of the benches in this Chamber because it is a very touchy situation.

Having said that, I realize how important it is for this place, which seems so isolated from the rest of the country, to get together and to not just have something in the budget that looks good on paper, but to send a signal to the Canadian public that we are not above and beyond the rest of the Canadian public.

I want to speak very briefly about my friend from Louis-Hebert and what she said about our putting in a certain percentage of our wages into the pension plan. If we are looking at real dollars, I just got my T-4 and I put about $7,000, very roughly, as a new member of Parliament into my pension plan. If I am looking at that $7,000 per year and then I am entitled to a pension after six years of being in office, I have actually put $42,000 into that account.

In my particular instance, I would be eligible for a pension at age 42. If I multiply that all out, at roughly $18,000 or $20,000 that I would get on pension, that would mean that in two and a half years the actual money that I have put into my pension plan would have been used up and then I would be on the public purse, as it were, after that. Although this life is taking its toll on all of us as members of Parliament, I expect that I would live a little longer than two and a half years.

I would go one step further with my friend for Edmonton Southeast and indicate that my friend from Louis-Hebert made a very good comment, that being that somebody getting into the private sector would not be qualified for their pension under this bill. Someone working in the public sector would be penalized. I think the member for Edmonton Southeast would go along quite happily, as with one of his other private member's bills, were I to suggest that we go one step further and defer pensions for members of Parliament to age 60, whether they are working in the private or the public sector. I think that would bring it much more in line, and we would not be held in such contempt by the Canadian public.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I like other members of this House have a right and responsibility to speak on bills which are before the House. I would note in doing so that the hon. member who moved the bill took, as my friend the House leader of the New Democratic Party has said, almost 15 minutes in addressing this bill. If he had been really anxious that all members of this House should have an opportunity to participate and to express their views on a very important matter, then I think he would have spoken more briefly, which would have provided more members of Parliament with an opportunity to speak with respect to the bill.

I would suggest that I would have no difficulty in supporting this bill, with perhaps one or two changes. I would indicate to the hon. member that he might want to suggest that the bill refer only to full-time employment in the government service, because there are many people who have part-time jobs, perhaps earning $400, $500 or $1,000 a year, and they should not be penalized unduly for that.

I also think that he should address the question of the salaries which are going to be earned by members of Parliament—

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 96, this item is dropped from the Order Paper.

Mr. Kilgour (Edmonton Southeast): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. DeBlois): You are not in your seat, so the Chair cannot recognize you.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

The Acting Speaker (Mr. DeBlois): The hon. member for Winnipeg Transcona.

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

The Acting Speaker (Mr. DeBlois): The hon. member for Edmonton Southeast, on a point of order.

Mr. Kilgour: Mr. Speaker, since there seems to be a great deal of interest in this bill, I wonder whether there might be unanimous consent for continuing this debate. Could you put the question?

The Acting Speaker (Mr. DeBlois): I am sorry but this item has now been dealt with. We are now on the adjournment motion, and I have recognized the hon. member for Winnipeg Transcona.

[*English*]

LITHUANIA

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I rise to pursue with the government the question that I asked with respect to Lithuania sometime ago. Of course some members will know that I asked a number of questions about the situation in Lithuania and in the other Baltic States, Latvia and Estonia, over the last little while, ever since returning from there just over a year ago where I had the opportunity to observe the elections in Lithuania which brought the Sajudis movement to power.

Since then, of course, there have been other elections in Latvia and Estonia. Democratically elected governments have come to power in those republics. There have been declarations of independence. Now, just in the most recent weeks, and indeed in recent days, we have seen a series of referendas in those three republics, beginning of course with Lithuania where they had a referendum on independence and on Sunday, March 3, in Latvia and Estonia.

I think what is significant is not just the overwhelming majority which voted for independence in Lithuania where the Lithuanians, ethnically speaking, still form 80 per cent of the population, but the significant vote which independence received in Latvia and Estonia. Both of these republics have within them large Russian ethnic populations. It seems clear at this point that it is not just the ethnic Balts but others who envision the prospect of independent Baltic republics as a positive option.

I want to say that I am as glad as I am sure many others are that the central power in the Soviet Union, that is to say President Gorbachev and the Soviet Union *per se*,

permitted these referenda to take place. These referenda have taken place in a thoroughly legal and constitutional way, but there was a time some weeks ago when it appeared because of the tragic actions of troops in Riga and Vilnius that there might have been a move afoot to undermine and even overthrow the democratically elected governments of these republics.

I hope I am not just being over-confident in saying that it appears that is not now the case and that these governments are continuing, as indeed they have demonstrated by being able to hold the referendas which have been held.

I think it is now incumbent upon the Soviet Union and upon President Gorbachev, given the unambiguous results of these referenda, to negotiate meaningfully and in good faith with the Baltic republics a way in which their special case, as opposed to other republics, can be recognized. When I say their special case, I mean of course the fact that they were incorporated by force into the Soviet Union as a result of the Molotov-Ribbentrop agreement or the Hitler-Stalin pact of 1938-39 and that this is a factor which has to be taken into account by Moscow when it is dealing with the Baltic republics.

Given the result of the referendas, I think it is now incumbent on Moscow, as I said before, to get serious about finding a solution to the aspirations for independence of the Baltic peoples, one that can be worked out and that is a positive alternative to both the real and implied threat of force should the Baltic republics continue to pursue the goal of independence.

It seems to me that much could be gained by Moscow, if indeed it were to allow the special case of the Baltics to be recognized and to permit the negotiation, albeit a tough negotiation, of Baltic independence.

There will be very difficult economic questions to address, given the many long years of economic integration and many future years of economic integration, I am sure. There will be security questions. There will be questions of minority rights in the Baltic republics, concerns which many non-Balts legitimately have.

There are many things to be worked out, but they can only be worked out after and when the Soviet Union finally admits that it has a problem here that cannot be solved by force or intimidation and that has to be dealt with by negotiations in good faith.

I call on the Canadian government to do its part, now that these referendums are over, by seeking ways to persuade—not to force or anything like that—the Soviet Union that the time has come to deal with this.

I think one of the ways that that can be done is to signal an intention on the part of the Canadian government that at every opportunity, in every appropriate international forum, the question of the Baltic states will be raised, whether it is at the Conference on Security and Co-operation in Europe or at the United Nations. Wherever opportunities present themselves, Canada should be in the forefront of saying to the Soviet Union in the appropriate international arenas: "Look, you guys, you have got to deal with this question. It is not just a matter of the internal affairs of the Soviet Union. It is a question which belongs in the international arena, given the former independence of these republics. We want you to negotiate with them in good faith, and we want you to respect the long-standing *de jure* view of the international community that these are indeed independent republics and should become so in fact as quickly as possible".

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I thank you for the opportunity to say just a few words in response to the concerns raised by my friend, the hon. member for Winnipeg Transcona.

As all members of this House know, Canada recognizes the *de jure* independence of the Baltic states. We have never accepted their enforced annexation. We believe that their peoples have a right to determine their own future. In fact, Canada has clearly demonstrated its uncompromising support for the Baltic states on several different occasions during the course of the past year.

The right hon. Secretary of State for External Affairs and the Prime Minister himself have both met with past leaders of Lithuania and Latvia and in some cases with the present leadership. In all cases, during the course of those meetings, I think Canada has taken the opportunity to demonstrate its commitment to the Baltic peoples who are continuing to strive for their right of self-determination.

In addition, the concerns of Canada and the concerns of this House have been conveyed to the appropriate Russian officials, to former Soviet Minister Shevardnadze, seeking assurance that there would not be a crackdown on the Baltic states. Unfortunately, as we all know, those assurances were not forthcoming.

In fact, we were among the first to react to the unwarranted military force used against the peoples and democratically elected governments of Lithuania and Latvia.

The Soviet Ambassador to Canada was called in on three different occasions during the month of January. Our ambassador in Moscow conveyed Canada's very strong concerns to the appropriate officials in that country. In communications with President Gorbachev on January 13, the Prime Minister of Canada expressly linked further offers of Canadian assistance to the continuation of reform.

• (1810)

As you know, Mr. Speaker, the Secretary of State for External Affairs welcomed the debate which occurred in this House on January 21. I can assure you that we will continue to exert the same kind of influence and pressure on the Soviet Union in the future that we have been doing in the past.

We will also continue to work with the Baltic peoples in Canada. There is consideration at the moment in the establishment of a Baltic information centre which I think would be of some value.

In conclusion, I believe that Soviet authorities are in no doubt as to the position of Canada on this matter. In fact, a member of the Official Opposition who has just visited the region recently reported that the influence and the activities of the Canadian government are well recognized there. They are also much respected there.

JUSTICE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I am compelled to pursue questions relating to the David Milgaard case.

First of all, I will state a few facts. David Milgaard is Canada's longest serving prisoner. He is serving a life term for the murder of a Saskatoon nurse, which occurred in 1969. He says he did not commit the crime. He has denied himself parole because he will not confess to that particular murder.

Much evidence has come forward casting doubt on his conviction. He applied to have his case reopened more than two years ago, and just a few days ago the Minister of Justice said "no" to the reopening of that case.

This case has attracted the attention of a nation. It has attracted attention of people who are concerned about justice. I am sorry, though, that I cannot say the same for the justice minister.

I believe that the hallmark of her handling of this case can be summed up in one word: indifference. She has not shown interest in this case. She has not shown a deep concern.

I am also concerned that the justice department approached this case with a closed mind. There is evidence that the Department of Justice was not impartial.

Take for example a report, Mr. Speaker, in *The Globe and Mail* of last August 1. In that report, a senior justice official, Mr. Bill Corbett, likened people who believe in Milgaard's innocence to those who believe that Elvis Presley is alive. To me, this reflects a damaging bias certainly to Mr. Milgaard's case, and I do not think it promises a fair hearing.

Bias also showed up in other ways. The prosecuting attorney in the case 21 years ago, Mr. Bob Caldwell, was asked to collaborate in the investigation of the case in the last few months.

We must remember who Mr. Caldwell is. Mr. Caldwell was the man who asked for Milgaard's conviction. I ask: Would he provide evidence that would reflect poorly on himself? I doubt it. Yes, let's have Mr. Caldwell's evidence under oath. Treat him like any other witness, I say. Anything less than that is contrary to natural justice.

We also have to wonder when the Department of Justice sends an investigator accompanied by the RCMP to interview a witness who testified at the trial 20 years ago. The witness was asked to visit a police station for interrogation without benefit of counsel. This occurred after arrangements were made to hold the interview at the lawyer's office, that is the lawyer of the witness.

Was this some kind of scare tactic? I have to ask the question. Was this an example of impartial, unbiased treatment? It does not seem likely. These are questions that concern me.

The Milgaard family along with their counsel have worked long and hard to uncover new evidence. The justice minister has more or less said a few days ago that this new evidence that was uncovered really would not have made any difference at the trial, that is if the evidence had been made available at that time. In effect, she was saying that the verdict would have been the same.

The victim in this case was raped and then murdered with a paring knife. Before that murder there were similar incidents of rape enforced with a paring knife, but the jurors were never told that. Had they known about these other incidents, would their verdict have been different? It is very possible. I think the minister's indifference to that is shocking.

The minister also pointed out in her statement of some days ago that a former judge from British Columbia was retained to look at the Milgaard case. That is fine in itself, but what were the terms of reference for the learned judge. We were never told. What evidence was the learned judge given to examine? We were never told. What was the judge's opinion? We never heard his opinion. We never heard about his judgment. We only heard from the justice minister what her opinion was.

If this were not bad enough, the judge's work was done behind closed door and Milgaard's counsel was not a party to any of it. This is not intended as any reflection on the judge. I am simply commenting on the process.

Finally, we must ask whether the justice department itself is in a conflict of interest. We must remember that in a case like this the justice department is asked to investigate itself. Is that a conflict of interest? Certainly on the surface it is.

We wonder about the justice minister herself. Remember, she is both the Attorney General of Canada and the Minister of Justice of Canada. Are those conflicting roles? Perhaps, especially in a situation of this kind, and we have to ask the question if we are really concerned about justice. In closing I want to say that we cannot, in all good conscience, accept the way the hon. Minister of Justice has handled the Milgaard case. I am talking about her handling of the case going back to day one, that is day one when she was asked or her predecessor was asked to look at this case and possibly re-open it. We cannot, in good conscience, accept her refusal to re-open the case. There are just too many questions and justice, natural justice, demands answers to those questions.

This issue is not going to fade away. It is not going to disappear. The justice minister might want it, but I assure you, Mr. Speaker, that it will not fade away. The questions are far too serious and, besides, we must remember this: David Milgaard who has been behind bars for 21 years might be an innocent man.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the section 690 procedure of the Criminal Code allows for ministerial review of cases where new evidence or information provides a reasonable basis to believe that a miscarriage of justice likely occurred when the case was before the courts. An applicant may only resort to section 690 when all judicial remedies have been exhausted.

In the Milgaard case, an impartial jury found him guilty of murder; an impartial court of appeal dismissed his appeal; and the Supreme Court of Canada refused his application for leave to appeal in 1971. Having exhausted the judicial process, Milgaard's counsel wrote to the Minister of Justice on December 28, 1988, and applied on Milgaard's behalf for relief under section 690.

Two grounds were initially raised in the Milgaard application. To assess them properly, the department requested additional information which the applicant provided in May and August, 1989. Those grounds were investigated and a preliminary report was prepared in December, 1989.

While that report was being reviewed by senior justice officials, the applicant raised additional grounds which required investigation. First, a new suspect was introduced in February, 1990. Second, further forensic results were supplied in June, 1990. Third, additional statements from trial witnesses and others were supplied in June, 1990. Fourth, a "new witness" surfaced in July, 1990.

Each of these grounds was investigated by the Department of Justice with the aid of the RCMP. Since a number of new matters were added to the initial application the department at the request of the applicant's

counsel received counsel's oral submissions in person on October 1, 1990.

• (1820)

The departmental report was completed and an independent legal opinion was obtained. The report, the opinion, and the applicant's submissions were all submitted to the minister who devoted a considerable amount of time reviewing the application, the facts, and the issues before the minister rendered a decision on February 27, 1991.

The proper exercise of the serious and important responsibility conferred upon the Minister of Justice requires a thorough review because the remedy is one of last resort. Accordingly the scientific issues raised in this case were referred to specialists in those disciplines for their evaluation and the authors of those reports were interviewed.

During the investigation of all the issues in the application over 36 witnesses were interviewed by the RCMP and departmental counsel. Some were questioned under oath and their answers were transcribed. The trial and appellate court record were also examined and reviewed.

During the minister's review of the case there was a careful consideration of the facts obtained from all sources and from counsel's submissions, in determining whether a miscarriage of justice likely occurred.

The minister concluded there was no body of new evidence or information which constituted as reasonable basis for believing that a miscarriage of justice likely occurred in this case.

[*Translation*]

HOUSING

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, I welcome this opportunity to discuss a matter that I raised on December 11 with the Minister of State (Housing), regarding the Quebec government's dissatisfaction with federal social housing policies.

Articles published in the press gave the impression that the province of Ontario had benefited from federal assistance for social housing, at the expense of Quebec. Created a few years ago, the Ministry of State (Housing) has introduced a number of initiatives designed to provide more help for Canadians who need it most.

Thanks to improved and sustained federal-provincial co-operation and a joint planning process for social housing, resources are now being put to better use and are better adjusted to regional needs. Umbrella agreements have eliminated administrative overlap and guarantee continuity of the planning process. In fact, these agreements direct social housing assistance to the neediest in this country, especially those who must spend more than 30 per cent of their income on housing. About 615,000 households benefit each year.

I was delighted to hear last December that the Co-operative Housing Program will be extended. Originally set up on an experimental basis, the program has helped low-and middle-income families, senior citizens, women, native people and disabled persons to find housing. The program will therefore continue to offer housing to households on modest incomes. New criteria for future residents of co-operative housing will ensure that federal funds are paid to lower-and middle-income households that cannot afford to become homeowners.

The program also provides that half the co-operative housing units will go to the neediest. The government also helps elderly Canadians in need through its social housing program. Those who do not require direct government assistance are offered a range of housing options that enable the elderly to maintain their physical and financial independence.

Since 1988, the federal government has provided for the construction of 8,811 senior citizens homes in Canada. Quite frankly, Mr. Speaker, in my own riding, since 1985, federal commitments to social housing have been very impressive. As part of the non-profit housing and rural housing programs, the federal government has helped increase investment in the riding of Drummond to the tune of $14 million.

Furthermore, under the non-profit housing program, six residences totalling 175 housing units have been built which will require an annual subsidy estimated at $717,000, to be paid for thirty-five years. The capital cost represents $25 million for the riding.

Under the rural housing program, four buildings containing a total of 40 housing units were built. This represents an annual subsidy of $207,276 for the next twenty-five years. The cost is evaluated at $5,200,000.

Two buildings erected under the federal Co-operative Housing Program will receive annual grants of the order of $51,003 over a 30-year period. These costs will amount to $1,530,000.

As well, government commitments with respect to rent supplement applicable to social housing constitute annual grants of $138,348 over the next 35 years, a total of $4,800,000.

Finally, under the provisions of the Residential Rehabilitation Assistance Program the federal government approved repairs in 839 housing units in the riding of Drummond, an expenditure of $4,702,649.

As to rent supplement, $138,348 in annual grants over the next 35 years will account for $4,800,000.

Mr. Speaker, the last Wilson budget has earmarked $1,000,739,690 for the Canada Mortgage and Housing Corporation, a considerable amount.

However, despite the many commitments of the government in the social field, it would appear that the federal-provincial agreement benefits Ontario at the expense of Quebec.

Mr. Speaker, I always thought that federal government funds for housing poor people should be equitably distributed.

But on the contrary the articles to which I referred indicate that Ontario residents got more than their fair share. In fact the author of the article claims that the minister is more interested in looking after the housing needs of Torontonians that those of other Canadians. Mr. Speaker, it has also been suggested that these inequities date back to a number of years. If that be so, it is not time to set things straight?

Back in 1988 in Regina the federal government, the provinces and the two territories signed an agreement which was supposed to correct the situation. Now it would seem that the agreement has failed and that Quebec continues to be penalized.

I know that before our government took office the province of Quebec had decided that federal housing funds would not be invested in major construction projects. Instead the government favoured programs which did not entail long-term grants. As an example, the administration at the time saw fit to spend the federal money on home and apartment repairs rather than build new social housing units.

This decision was a blessing for thousands of people living in units badly in need of major repairs to be safer and more comfortable. This program in fact was a big help to thousands of households throughout the province in both urban and rural regions. One thing for sure however is that once the work was done there was no need for long-term grants.

In Ontario and elsewhere in Canada the need for new housing was more urgent than repair work, with the result that there were more construction projects spead over a number of years and subsidized over a longer period of time.

To be honest, Mr. Speaker, I know as well that Ontario got directly involved in shared-cost programs some ten years before Quebec did.

I would like to ask—I see the minister is in the House today, so this is a good opportunity for me because I have known him as a colleague since I first came here in 1984—whether that is the reason why more federal dollars went to that province rather than to Quebec, and can the minister tell the House why Quebecers who pay their fair share of taxes do not get as many benefits as some other regions of the country?

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, I wish to thank the hon. member for his question. It provides me with an opportunity to clarify the formula used by the government of Canada for the distribution of federal social housing funds among the provinces and territories to respond to the housing needs of Canadians across the country.

[*English*]

The objective of the federal government in social housing is to help low-income Canadians find adequate and affordable housing no matter where they live in the country. To that end, in 1985 we entered into negotiations and an agreement called the Regina Accord, with all of the provinces of Canada including Quebec, which developed a formula for the distribution of federal social housing funds.

Under that formula, which Quebec signed and agreed to, Quebec's share of federal housing funds was set at

24.75 per cent of all of the units available. In fact, in the years between 1986 and 1989, Quebec received more than that share which it had agreed to in the formula and in fact, received 25.4 per cent of all of the units available.

• (1830)

In 1987, the provinces started to object to the formula. We tried to develop a new formula which all would agree to. We did agree to the fact that no matter where people lived in this country, they should all have access to assisted housing and, in effect, we agreed to national standards for housing across this country.

Unfortunately, there was no final agreement on all of the terms of the new formula. In 1990 I decided as a temporary measure only, without agreement of all parties, that we would put into effect the new formula. Under that new formula, we would respect the fundamental principles of needs and access for all Canadians, national standards.

Under that Quebec received in 1990, actually a larger share than it had before. Quebec now receives 25.65 per cent of all national housing units. In fact, that amounts to an increase in funding for Quebec for federal social housing dollars. In 1989, Quebec received some 18.31 per cent of the allocation, but in 1990 it received 5 per cent more, some 23.20 per cent, whereas Ontario which had received some 41 per cent of all of the federal social housing dollars in 1989, went down to some 35 per cent of social housing dollars in 1990.

[*Translation*]

I am the national minister of housing. As such, I have special responsibilities. Canada is a rich and civilized country. We must guarantee the quality of life of all our fellow citizens. We must ensure that their basic needs are met. As you know, food and housing are basic needs. I am firmly committed to helping the poor. I cannot let the administrative or political priorities of the various levels of government divert me from this responsibility and from the principle of equality which should motivate the actions of a national government.

The Acting Speaker (Mr. DeBlois): Pursuant to the order adopted earlier today, the motion to adjourn the House is deemed to have been withdrawn.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1991–92

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C–97, an act to provide borrowing authority, be read the second time and referred to a legislative committee.

The Acting Speaker (Mr. DeBlois): At the suspension of the debate at five o'clock, the hon. member for South Shore had the floor. He has 17 minutes left.

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I am pleased to resume the debate begun earlier.

I had started by making reference to the fact that what we are here to debate, of course, is the borrowing bill which is, in effect, an element of the budget though, in fact, it is something that exists under the Financial Administration Act.

Borrowing is about debt and it is about deficit. I hear all sorts of things said and played with about debt and deficit in this country. I think it is important to review the realities of the situation, to find out why it is necessary for the government to borrow money. A lot of people operate on the principle that the best way to run your affairs, whether they be government affairs or personal affairs, is to pay your bills as you go along. I am sure that is what most people want to do and that is certainly what any responsible government wants to do.

On the other hand, that is not what has been going on in Canada for the last decade or so. Consequently we are faced today with a staggering national debt, a debt that unfortunately is the legacy of our forebears. We are fortunate, however, in that for the past six and a half years, the country has benefited from a Minister of Finance who has made as his number one principle, his cardinal principle, fiscal responsibility and the coming to grips with the massive deficit he inherited.

When this government came into office in 1984, the annual deficit of this country had risen to $38 billion. That is a staggering amount of money. What is even more shocking, when one reflects on that, is that this deficit was not just interest payments, that in fact it included an $11 billion deficit in program spending. The government of the day was spending $11 billion more

than it was taking in in revenues. On top of that, this government and this Minister of Finance inherited $27 billion in interest charges every year.

My hon. friends opposite like to say: "Look at the way the national debt has grown under this government and under this minister." But it is a lot easier to say: "Get rid of the national deficit" than it is to do it. My hon. friends opposite are forever imploring this government to spend more. Every time there is a cost-cutting measure, we hear anguish and howling from the other side: "Why don't you spend more here?" We heard it in this debate during the course of today's session. On the other hand, any time the government takes a revenue-increasing measure—which of course is a lovely way of increasing the taxation load of Canadians, which is, in my opinion, too great—they say: "No, you cannot raise taxes either." So, you cannot raise taxes to deal with the deficit and you cannot reduce expenditures to deal with the deficit.

Then what do my hon. friends opposite do then? They turn around and criticize the government because we have a big deficit and a big debt.

How do you achieve rationality out of that? It is very simple. Canadians recognized some years ago that the only way to have rationality was to get a government that had a sense of fiscal responsibility, that had a recognition of the fact that you have to pay your bills in this world, and that recognized that ultimately down the road there is no such thing as a free lunch, that ultimately somebody is going to pay. And that is the government we have in power today.

When my hon. friends opposite suggest that we should not cut expenditures here or we should not raise taxes there, they never come up with a solution to the problem. Goodness knows what the shape of the deficit and the national debt would be in this country if my hon. friends opposite had continued the spendthrift ways that existed in this country from 1974 to 1984, when the average growth in program spending by the Government of Canada of the day—a government, I might say, not of my political persuasion—was 13.8 per cent. Since this government has been in power, that rate has been reduced to 3.6 per cent, a remarkable improvement, which is below the level of inflation.

I believe that is a correct statement. I would not want to mislead the House.

The bottom line is that we have experienced fiscal responsibility.

When people say "cut", what do they mean? I go around my constituency and my province and people are always saying: "The government has to cut more spending." My impression of what people usually mean when they say to cut spending is to cut the programs that they are not interested in. Or if they say that you have to raise taxes, what they really mean is: "Raise the taxes that other people pay; don't raise the ones that I pay."

Fiscal responsibility means cutting the cloth according to the pattern in order that you can pay your bills. And that has been the hallmark of Mr. Wilson's period as Minister of Finance. The country's finances are in sufficiently good shape that we stand here debating a borrowing bill giving the government authority to borrow $26.4 billion. As the minister said to me the other day: "How do you figure out what $26 billion is? I cannot relate to that." He said: "I found out that they built the dome in Toronto for $500 million; that is half a billion. So, what I think of is 53 domes."

I hope the day will come when we do not need 53 domes or the money to purchase them.

The bottom line, Mr. Speaker, is that the progress that this government is making is such that we see a commitment that by 1994-95 we will have no further need for new borrowing by the Government of Canada. And that will be a very happy day for all Canadians.

The borrowing authority is in fact part of the government's budgetary plans. Let's take a look at those plans and see how they are put in place in such a way as to deal with this debt problem that the country has. What we saw in the budget the other night—and I must say that I thought it was an excellent budget brought forward by the Minister of Finance—is a budget that presents a clear plan for recovery and economic growth and renewal in this country. It will ultimately lead to lower interest rates which is going to be a benefit to all Canadians, I believe. It establishes clear and attainable inflation

targets and sets a clear path to a balanced budget, something we have not seen for many, many years in this country.

• (1840)

I want to say a word about interest rates. We used to hear members opposite, during the course of the last year, say: "ah, the government should arbitrarily lower interest rates". Well, you know, that was a politically popular thing to do. The government said: "Hey, if we just do that we get ourselves in a situation where we will simply fuel inflation, and that is not going to be for the benefit of Canadians". Inflation, in the final analysis, is the killer. We need investment in this country. Investment is attracted by people who have confidence in the economy.

The keys to the recovery and economic growth and development and fiscally responsible approach that this government is taking are several. First and foremost is control of government expenditures. This government has done this, as I said before, by getting a handle on those expenditures.

I mentioned that when Mr. Wilson became finance minister we had an $11 billion operating deficit in this country. That has been turned around to the point where it is now a $12.5 billion operating surplus. The reason in 1994–95 we are not going to need new government borrowing authority is because by then that operating surplus will be up to $22 billion. So we are making remarkable progress.

Now expenditure control may be responsible, but it is not always easy and it is not always popular. In the budget this year we have a freeze on program spending and a 3 per cent growth permissible thereafter in government spending. That is tough because we all know that costs are rising, so that if you are going to pull 3 per cent out it means you have got to find it from things that are there and that hurts.

I heard one of the hon. members opposite earlier today saying: "oh, it is terrible that we have had reductions here and reductions there". The fact of the matter is, given the interest rates from last year, in order to control inflation which is something clearly we are successfully doing, we had higher interest rates than we would have liked and the result was, of course, an increase in the interest pressure on the government debt charges. That meant that we would have had a deficit of $35 billion this year. Instead, through the restraint program, we have brought that down to $30.5 billion and the finances of the country are in much better shape.

I think it is important symbolically as well as substantively that the government is not leading by saying this is what you should do, but leading by example. We are obviously not going to save a great deal of money in terms of the deficit by freezing cabinet ministers' salaries or by capping members, of Parliament salaries, but it sends the message that we, too, are prepared to share the burden. Similarly, with respect to the Public Service.

Now we have heard a tremendous amount of anguish expressed by leaders of the public service unions about the proposal in the budget that there be no increase in the budgetary allotment for salaries in the public service. That the government is not prepared to enter into a contractual arrangement in excess of 3 per cent and that if we go to the 3 per cent that is going to mean a comparable reduction in employees in order to make up the difference.

Well that is not a very happy circumstance, but the fact of the matter is that the government cannot preach to private industry, it cannot preach to the provinces unless it is prepared to set the example itself.

I heard a member opposite the other day lamenting the fact that salaries in the Public Service were barely an average of $30,000 a year. Well I would like to say that there are an awful lot of fish plant workers in the South Shore constituency, there are an awful lot of Christmas tree harvesters in the South Shore constituency who would be more than pleased to try to get along on $30,000 a year. So I think things sometimes have to be put into perspective.

I see, Mr. Speaker, that you are telling me that my time is almost up and I am barely getting warmed up, but I do want to mention one thing before I conclude and that is with respect to the subject of grants and contributions where there is to be a $75 million reduction in expenditures.

I think non-governmental organizations play an important role in Canada. I am not always convinced that we have to give out, as government, all the grants that we do, but I think there are certain principles that should be followed in determining where these cuts should be made. First of all, it is fashionable to say cut core funding and just fund projects. Well, having been president of a national NGO for three years I can tell you that if they will not provide you with core funding then you spend all

your time trying to stay alive and cannot get on with the work you are put there to do.

Secondly, we have to look at which NGOs have the potential to fund-raise. Some do, some do not. That is a principle we should look at.

Finally we should look at the federal mandate and policy objectives and make sure we support objectives which Canadians feel to be desirable.

Mr. Speaker, I see you are giving me the sign so I guess I must adjourn. If I may just mention in closing that it is extremely important that this bill pass expeditiously because borrowing authority extends to March 31 from last year's bill. If we do not get a new borrowing authority bill we are then faced with short-term financing which will cost the taxpayers of Canada a lot of money that we need not spend. Therefore, I commend the bill to all members and urge their support of it.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, if it was not so laughable I would let it go, but the hon. member for South Shore says and I quote him: "The debt is the legacy of our forebears". Well, when is this member and the member who said "right" and, in fact, this government going to start taking responsibility for their own economic and fiscal mismanagement.

This government was elected in 1984. It has been almost seven years in power, holding the reins of power for almost seven years, seven of our almost most prosperous years in this country where we had jobs, where we had the money. Did this government during those seven prosperous years sock away any money for the rainy day? No. In fact, they spent like drunken fools.

Before 1984 we only had about 26 ministers in the Liberal government. Today they have almost doubled the number of ministers, doubled the number of ministers.

Mrs. Marleau: Limousines.

Mr. Keyes: And with all that doubling, as my hon. friend from Sudbury says, come all the expenses—

Mrs. Marleau: Big offices.

Mr. Keyes: Bigger offices, big expansions, chauffeurs, limousines, extra perks, extra expenses. That is a lot of money. Did any of those ministries get cut back in this budget? No, I would not think so. Instead the government continues to play this cruel and vicious game of cost-cutting.

I want to ask the member would he not admit that given the opportunity of the last six to seven years you could have done something, you could have socked away some money for the rainy day? Instead, you have brought forward a budget with its viciousness and its cruelness at the worst possible times.

For example, I go to my own riding of Hamilton West. I talked with the department of social services there. Total spending for mandatory welfare programs in the Hamilton—Wentworth region last year budgeted $52.4 million. They had to spend $64.1 million, and he tells me that they expect a significant increase again this year. But they are cutting back.

Want to talk cases? Let us talk welfare cases. There were 7,195 welfare cases a year ago January. Last January that number increased from 7,195 to over 10,000 cases in Hamilton alone. But they want to cut back on welfare assistance. Does this make sense to the hon. member? When times are tough? When the need is there? Not when the going is good but at the worst possible time they decide to cut back and implement their cruel and vicious cost-cutting measures.

• (1850)

Mr. McCreath: Mr. Speaker, I am pleased to respond to my hon. friend who has just provided a marvellous illustration of precisely the point that I made. He chastises this government for reducing the expenditures on the one hand and then calls for more expenditures and criticizes us for the debt situation at the same time.

My hon. friend should understand that when you inherit a $38 billion deficit, the only way you can keep the national debt from growing is to go from a $38 billion deficit to a zero deficit in one year. If you are faced with inheriting incredible interest charges, which as I said during my remarks which I know my hon. friend listened to with great attentiveness, included inheriting $27 billion worth of interest charges, that is what we inherited, along with an $11 billion deficit in program and operations, you will understand the magnitude of the task.

When you realize that an $11 billion deficit has been turned around to a $12.5 billion surplus on budget, you will see a $25 billion difference or approaching it, so we have made remarkable progress. Regrettably when you

inherit that deficit, even if you cut it down, whatever is left, you are still adding on to the debt year after year after year. That is the crippling load.

My hon. friend says: "You should be able to wipe that out". We have just heard him chastise this government for the cuts it has made. I presume by implication he is saying: "Cut a few ministers and cut out a few ministers' cars". With any luck you might save $1 million that way. Where are you going to get the other $11 billion that is there.

I invite him to look at a little publication called *Where Your Tax Dollars Go* that will clearly illustrate for his benefit and help him decide where we should cut the $27 billion. Does he want it cut out of the transfers to persons receiving the old age pension, does he want it taken out of veterans allowances, does he want it out of family allowances? We have put a cap on the growth of EPF for health and education and they are screaming over there. They say we have destroyed health services and medicare. I guess they do not want us to take it out of there.

We cannot take it out of the interest charges. Where are we going to take it from? We know they did not want to send troops to the Persian Gulf. Maybe they would like to abolish the Department of National Defence. Surely they abandoned it for many, many years when they were in power.

I think there is an incumbency on the other side to recognize as Canadians do, as they did in 1984, and in conclusion, Mr. Speaker, as they did in 1988 that fiscal responsibility comes from the crowd on this side of the House, comes from having a government—

The Acting Speaker (Mr. DeBlois): Questions and comments, the hon. member for Windsor—St. Clair.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, when I listen to the hon. member, as I observe the government, I have a vision of a single party somehow having a struggle with itself. The government has the government by the neck. It has got the government on its knees, with its knees on its chest, choking, fighting and carrying on. That is the vision I have of this government. The hon. member leaves as I am posing a question to him. Look at the question of the deficit. I am not talking about social expenditures or anything of the sort. I am talking about what this government is doing on its own ground.

It ought to be at least understandable to the hon. member for South Shore that ultimately the deficit is going to be dealt with only if there is consistent economic growth in this country. Yet in this budget not only is there not a clear-cut economic policy based on the necessary steps that almost everyone agrees have to be taken, in fact there has been an attack on all of those things that we all know must be funded, must be strengthened if in fact we are going to have the kind of economy that will not plunge us into further deficits and deeper deficits in the future.

I am talking about research and development, post-secondary education, training and infrastructure which are not there at all. On the other hand, a good deal of that deficit is attributable to high interest rates which have been engineered by this government.

An hon. member: Right on.

Mr. McCurdy: In fact, it says that it is struggling with inflation. It says it has to keep wages down in the Public Service I suppose, as a message, to other workers. Yet, if you look at the increase in inflation that this country has experienced, a good deal of it is due to high interest rates. A good deal of it is due to the increased costs of regulated services. A good deal of it is due to higher taxes. A good deal of it is due to the GST.

An hon. member: Right on.

Mr. McCurdy: Now, if that is responsible financial management, I would sure hate to live in the house you are running on that basis.

Mr. McCreath: Mr. Speaker, I will just briefly respond. I take it from the hon. member's remarks that he does not endorse the budget put forward by this government. Nevertheless, I notice, as well, that he, like my hon. friend from Hamilton, has suggested ways in which the government could spend more money without offering constructive suggestions as to how we do deal with the deficit that faces all Canadians and, indeed, has led to the high rate of inflation that in turn has fueled the high interest rates which have caused so much difficulty to Canadians from coast to coast. It is only because the government took a strong stand in accordance with sound economic policies that we have apparently got

inflation under control and that is why we have seen a 3.5 per cent drop in interest rates in the last year.

If my hon. friends opposite would take the time to carefully read the budget, they would see that we have clearly established targets. We are looking ahead to 2 per cent inflation, to 6 per cent and 7 per cent interest rates and we are going to be looking—I hate to tell my hon. friends opposite—at a booming economy just in time for the next election.

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for Windsor—St. Clair.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, as the hon. member for South Shore indicated, this is a debate on Bill C-97, the borrowing bill, which may be considered to be a part of the budget.

I hesitate to be a participant in what is, according to this government, increased borrowing power, as the House will almost surely decide in the final analysis. This government is already deeply enough in debt on borrowed time. If this government wanted to serve the people of this country, what it would do is resign right now.

I listened to the Prime Minister deliver his constitutional talk to the Empire and Canadian Clubs in Toronto and I listened to his vision for dealing with the question of Canadian unity, of its future Constitution, and his solution to the problems that are plaguing the country and causing such great concern to Canadians. I want to read a portion of this speech because I think it is important for Canadians to understand what he is up to, what he has been up to, and what he will be up to.

He set out I think seven characteristics that would govern constitutional change in this country. He said that the first benchmark of that future reconstitution of this nation would be to build the kind of prosperous Canada that his government has been in the process of building.

Let us understand specifically what that means because I think it is going to frighten Canadians when they understand what he considers to be fundamental to any constitutional change. That is that those gains that have been achieved by the free trade agreement, privatization and fiscal changes such as the goods and services tax are the first prerequisite in this man's vision of the future of Canada.

Evidently, he is completely immune to the fact that what he has already been engaged in, in terms of that economic policy, lies at the very basis of the constitutional crisis in this country, because every Canadian has the presumption that he has been involved in the destruction of this nation. That is why we have a constitutional crisis.

• (1900)

Let us look at the record of this economic policy. First of all, that economic policy has been marked with a closer identification with American values. This is in some respects exemplified in the free trade agreement, the specific intent of which is to bring a greater degree of harmonization between our two nations. It really is a reflection of the Prime Minister's personal identification with a philosophy that is exclusively market-driven. It is a point of view that leads Canada to be the lap-dog of American foreign policy, as well as its economic mimic.

Someone said that when the Prime Minister went to New York when he was first elected Prime Minister of this country he came, he saw, he concurred.

An important part of this Americanization of Canada, the hurtful part of this Americanization of Canada, has been the attack on those institutions and programs which to the Canadian mind has kept this country together with a sense of community. It is a nation that extends across the vast geographic area, that consists of any number of different populations requiring certain kinds of institutions to keep them together such as the CBC, VIA Rail, the post office. All of these things have been under attack.

Social programs have been under attack. Medicare is under attack. Even in Quebec, even among those who are not sure of the future relationship that Quebec should have with Canada, the attack on medicare has been regarded, even there, as an attack on the Confederation of Canada.

Then we have the strange approach to economic growth, which in fact is completely contradictory to everything that they have said about improving Canada's competitiveness in the world.

The deficit has been the determinate of just about everything this government has done. It has undermined

growth in the economy and, as a consequence, it almost surely means over the long run that, unless there are other factors that change, the deficit will become larger.

After all, the deficit reflects the ability of the country to produce wealth and therefore to what degree taxes are collected and in what amounts. It reflects the payments that have to be made to those who are not working. It is clear that the deficit is not just a fiscal measure. It must reflect economic measures as well, but this government has failed to choose those appropriate measures that will address the economy and, over the long run, address the deficit.

The budget, with its attack and preoccupation with the deficit, is a reflection of a mentality: the bookkeeper's mentality, the economists mentality, the bottom line mentality. If I wanted to compare what the Minister of Finance has done, I think what I would want to cite is the example of the automobile industry 10 years ago, in which accountants like the finance minister and others on that side were so preoccupied with the bottom line and circumstances when they could get away with it that they started getting rid of their engineers, their scientists, their designers, their creative people. Yes, they are still getting a profit, but across the Pacific Ocean the designers, the engineers and the scientists—the people who do creative work, not the accountants—were producing cars that created a field of competition that required change. They had to look at the roles of creativity, of innovation, of knowledge, and of technology in the automobile industry.

We can extend that analogy to this nation. This has become a bottom-line nation in a world of knowledge, technology, creativity and ability to produce value added combined to produce wealth. This country is falling increasingly far behind and has been doing so ever since this government came into office. The strange and bizarre thing is that the Prime Minister seemed to recognize back in 1983 the necessity of doing something about Canada's utter failure in the areas of research, development, technology and innovation.

This budget continues the tack that has not only failed to meet the measure of improvement, but the Prime Minister's promise has still further eroded our ability as a nation to create the kind of value-added economy we are going to need to have to compete.

What are the dimensions of this? Specifically, we must have increased investment in research and development. We must have more scientists, more engineers and a more highly-trained work force. We must have, therefore, improvements and not a deterioration in post-secondary education. We must have improvements and not a deterioration of the levels of training, and we must make investments in infrastructure.

Yes, what has happened? It goes on. If we look at research and development, for example, the National Research Council will get an increase of roughly 3 per cent. It is kind of difficult to calculate with any precision, but roughly 3 per cent. In fact, before the budget was released the National Research Council received a message from the finance minister that it could be assured of an increase in funding of $50 million over the next five years.

This is the same NRC that this government cut back in 1985-86. This is the same NRC that has had its scientific complement cut over the last year by about 100. This is the same NRC that submitted a proposed five-year plan last spring in which it asked for $125 million over five years for IRAP alone, that is the Industrial Research Assistance Program. Let us look at the comparison: $50 million over five years of which the 3 per cent increase received in the budget is applied. For the entire NRC, as compared to $125 million asked for over five years for IRAP, the most successful job producing program the government finances anywhere at $15,000 a job.

Yet, the government did not see fit to take money for its advertising of the GST and all those other wasteful expenditures and put it where the proper priorities would have had it.

Similarly, NSERC, which is responsible for funding research in the universities, received an increase of 3.7 per cent. The National Advisory Board for Science and Technology and the House committee on industry, science and technology, on which you might realize, Mr. Speaker, there are a couple of government members, agreed that the funding for the granting councils which support basic research in universities should be doubled over a three-year period. This year they got an increase of 3.7 per cent. The impact of this is tremendous. Given the way they are going to spend money, it is true that slightly more researchers and slightly more graduate students are going to receive grants. However, they will all receive less.

• (1910)

The impact of this kind of approach to basic research in the universities is documented right in the estimates. It says that equipment currently used in research laboratories is generally in worse condition than in use in 1981 when the NSERC first made its report on the status of research equipment in universities.

It is important to have up-to-date equipment both for competitiveness and forefront research and for training graduate students. There, in the government's own document, is the clear statement that what this government is doing is an attacking. It is an attack on research and development in this country, an attack on our ability to produce trained scientists and engineers.

Similarly, the Medical Research Council received 2.4 per cent in increased funding.

In the present budget in education they have cut Established Programs Financing by virtue of Bill C-96 as they have done practically since this government was elected. The cuts for 1990 together with the cuts for 1991 are going to cut $3.8 billion from universities alone. That amounts to roughly $1,000 for each student in the college and university system. That is just heaped upon an over-all cut in federal funding to the universities of almost $10 billion that was engineered by the Liberals at the beginning of the 1980s and continues now with the Conservatives at the beginning of a new decade.

It is not just scientists and engineers that we need; it is also trained workers that we need. But they have cut $100 million from Canadian Jobs Strategy. By the way, this is after they had already cut training programs, job creation programs, from $2.4 billion to $1.3 billion and after they had cut the Canadian Jobs Strategy summer program for students from $200 million to $140 million.

In education, in training, and in research and development this government is attacking this country's ability to grow.

Finally, with respect to infrastructure, we find that this government has failed utterly to recognize the importance in our municipalities, our provinces and our regions of infrastructure for the success of future economic development in this country.

Robert Reich has described two kinds of approaches to an economy. You can have a vicious cycle that is based on the premise that you can achieve economic development by offering a good business environment. That is kind of familiar, meaning low wages, few regulations and low taxes especially for the rich. You can have a virtuous cycle, he says, of economic development if you adopt the premise that you are going to educate your workers and you are going to encourage creativity. Because you have education and training and you have creativity, it grows; it gets greater.

But once you start the kind of policy that this government has adopted of attacking the workers by trying to suppress wages, by redistributing wealth so it goes up instead of down, then you are on your way to a vicious cycle in which you will have no alternative but to offer still lower wages and still poorer conditions for everyone.

[*Translation*]

The Acting Speaker (Mr. Pronovost): I regret having to interrupt the hon. member. Questions and comments. The hon. member for London—Middlesex.

[*English*]

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, I am glad to have this opportunity to respond to the diatribe we heard from Windsor, Ontario. I am sure the hon. member is speaking with a great deal of compassion but I really do not think a great deal of fact, and certainly no understanding at all about what this government has done since 1984.

I want to rebut a couple of the points. For example, in economic reform he questioned the basics of our policy on GST and free trade. In fact he made the statement that we are succumbing to American values. I say that is not true at all. They are Conservative values. I am sure it sounds very foreign to the member, but clearly that is what they are.

He questioned world access at a time when the whole world is responding and wanting world access for their markets. Countries of the world, in increasing numbers, realize that an inter-linked economy is the economy of the future. I think the member has missed the fact that this government has already seen that since 1984 and has been directing activity and putting policies in place so

that Canada can respond to an inter-linked global economy and be a key player. Clearly he did not follow the GATT proposals and the debates. These countries are all dedicated to a market economy and closer and closer toward free trade, words that are foreign to that party's policy of course.

The accountant's mentality that we are charged with, why not? Why not have some bottom-line thoughtfulness here? Why duplicate services? I think the clear signal in this budget was just that, the fact that we have to find ways. The signal in the budget of the Minister of Finance was to the provinces and to the municipalities was that we could no longer duplicate or triplicate services, that we had to find ways of bringing this economy into common sense and bringing it together. Clearly the Prime Minister has recognized that by asking the Economic Council of Canada to do a review of the whole subject.

Research and development was another key point. Clearly this government knows about this, knows that we are going to be 30,000 engineers short by the end of the decade. I am sure the member knows this. He has a university in his town, like I have in mine. The University of Western Ontario has grabbed on to our new program in science, engineering and technology and has become part of the scholarship program of $200 million to produce these new students, these new leaders in this particular field.

I think the member has forgotten this program. We are committed to research and development. The private sector should get the signal that it is going to have to pay more. That goes along with training as well.

The member does not understand that good training, the stuff that is going to be real for the work force in Canada, is the kind of programs designed by people in the work force and people in management who are trying to make this country competitive in an increasingly competitive global market. With the $800 million we save with the UIC changes we are dedicating money to the training and retraining of Canadians to fit the competitiveness of the global economy.

There has in fact been a national board established to develop these programs from the grassroots. We finally want to get programs that work for Canadians so that Canadians can hold their head up and compete with anyone in the world. This country can do it. The member has just got to listen and follow our lead.

Mr. McCurdy: Mr. Speaker, the hon. member called my speech a tirade, which I gather means that he did not approve it. Then he followed by demonstrating that he did not understand any of it.

It is not a question of being aware that there has to be a budget and that the budget should adhere to certain reasonable notions of what we can afford, and all of that. That is not the issue. The question is what goes on inside that budget.

If the hon. member thinks that this government has done anything significant with respect to research and development, then he does not know what he is talking about. The level of expenditures for research and development for this government has not increased a penny since 1984. If you call attention to the role of industry, the fact is that industry has increased its share while the government has decreased its share. What it has put in new has been a pittance and has not come anywhere near matching inflationary requirements.

• (1920)

With respect to training it has utterly failed up until now to produce anything but promises, including this vaunted panel which is right now paralyzed because Quebec will not participate.

Consistently over the period from 1984 to 1991 this government has shown a distinct lack of leadership in respect to post-secondary education as well and if he does not believe that he does not have to trust what I say. Read the report of the National Advisory Board on Science and Technology. Read the report that was produced by a majority of his own members on the committee on industry, science and technology. Listen to the provincial ministers of education. Listen to what is being said by industrial organizations. Listen to what is said at the science forum organized by this government itself.

What you will read, what you will see, what you will hear is that: this government has failed to do what is necessary to be done to make this country a competitive nation. All it has done is adopt the free trade agreement that makes it impossible to use most of the tools we ought to be able to use and the government has failed to use what tools are left.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I must agree with many of the comments made by my colleague, the hon. member for Windsor—St. Clair. This Conservative government has really failed to invest in training. A dollar spent today is worth ten dollars five years from now.

The Conservative government always claims that business must become more involved in training and retraining and that is a very laudable approach except that it appears that the businesses and the corporations are fleeing our country. How can we ask these businesses and corporations to be retraining the future generation of people who must bring wealth to this country? First, perhaps this government should consider changing some of its policies and we may be able to attract these companies who might in future retrain.

One of the other problems, and I will ask you to comment on this, is that in the cutbacks on Established Program Financing that we are seeing, this government has gone on to say how they would bring forward legislation to penalize provinces who do not keep up standards or keep up universality in the health care system. What they have neglected to consider is that if these provinces comply and maintain the same level of spending in health then it needs to cut back in education. Again, who is going to be hurt the most? It is our country, our economy, and our future because there will be no investment in that future generation.

I would like your comments as to this point.

Mr. McCurdy: Mr. Speaker, I quite agree. In fact, when the Liberal government in 1977 cancelled the fifty-fifty split with respect to EPF that is when the trouble began. Since then the portion of EPF transfer payments that goes to universities has deteriorated to about 37 per cent.

You are quite right. If the government tries to enact legislation that would tie the provinces to meet the standards of medicare, and standards with respect to post-secondary education, that is going to impose a rather severe burden on those provinces if there are no transfer payments accompanying that responsibility.

However, I personally have quite considerable difficulty understanding how mechanically, or constitutionally, the government will be able to pull that off, especially given that for the last six years whenever the issue has arisen with respect to specifying a portion of EPF for universities and requiring matching funds from the provinces in order that the provinces meet their responsibilities with respect to post-secondary education, the government has always said that goes too far, that we should not be imposing anything on the provinces.

This seems to me to be a wild contradiction from this government. This government contradicts itself.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, I appreciate the opportunity to make a few comments in respect of Bill C-97, the borrowing bill, which obviously relates directly to the budget recently brought down by the Minister of Finance.

Also, it relates directly to my own responsibilities, my own portfolio, and the impact that this bill and the budget has on housing, on our national housing programs and on the federal housing agency, Canada Mortgage and Housing Corporation.

You and I well know, Mr. Speaker, the difficult problem that faced the Minister of Finance in trying to address the economic situation in a budget this year. On the one hand, there was an enormous deficit situation, a situation which had grown more severe in this past year, on top of a very substantial national debt.

Balancing that situation were economic difficulties in the country which have to be addressed as well. Somehow or other, the Minister of Finance had to meet the debt problem and, at the same time, meet the economic difficulties we have in the country.

I believe that he has managed to do that in a way that has not hurt or damaged those who are the poor and the disadvantaged people in this country, particularly as that applies to housing. It was not an easy task. I have to congratulate him for the job he did with respect to dealing with the housing budget and with people who need help in housing.

In fact, the bottom line of the budget is that in spite of a continuing 15 per cent reduction in ongoing increases in social housing spending—a reduction that was put into place in last year's budget, through this year and on for the fiscal framework of the next five years—this year the actual amount of money the federal government will be spending on social housing is going up by $116 million.

That is added to the amounts that were spent last year and in previous years. This extra amount includes an inflationary increase which will go into effect and will allow us to continue to maintain the existing assisted housing program across our country. That inflationary increase to help existing housing programs amounts to some $30 million of additional money.

Added to that is an additional $86 million which will allow the federal government, through the federal housing agency, CMHC, to help to assist even more people who need housing and help with housing in this country in the coming year.

I trust that all members of the House are aware that currently across the country the federal government is assisting almost 650,000 needy households. These are people who fall into the categories of senior citizens and single parent families, the majority of whom are women-led single parent families. They fall into the categories of disabled people, low income single women, families with low incomes, single people with low incomes, disabled people with low incomes and natives with low incomes.

• (1930)

It is interesting to note that this help is directed towards Canadians who this year will have an average annual income of around $11,000 a year only. Therefore, this sum is being spent to assist people like that. It is certainly very needed and certainly very helpful.

Again, I think the Minister of Finance is to be congratulated for making sure that this budget does not impact on those people any more severely than it has in the past, and in fact will be helping over 40,000 more needy households this year than were helped last year.

It is important to recognize as well that the budget is going to allow for the continuation of all of our national housing programs, and, in particular, will allow for the continuation of some housing programs which we hope to improve this year.

One of those is what is known as our RRAP program, our Residential Rehabilitation Assistance Program. It helps natives living on reserves, it helps low-income homeowners and it helps people with disabilities who are homeowners as well.

In 1990, the federal government was able to assist some 25,000 households under this program. This was done through a forgivable loan program which involved some $105 million and which allowed people whose housing had fallen below standard to upgrade their homes and to continue to live in those homes. This program helps very dramatically, very inexpensively and cost effectively Canadians who own homes but who need help to maintain them. If they do not get that help, they are going to have to move into other assisted housing that some government would have to build from scratch.

This is a very cost-effective program. It is one we have been reviewing over the last few years and I expect we will be coming forward with some new suggestions in the coming year. Perhaps there will be a suggestion that I know my colleagues in the House from the province of Quebec are most interested in and that is helping low-income people who rent. Our past program, which was discontinued two years ago, the rental RAP program, is being looked at to see if there is some way that we could provide some help in this area. That help will go to needy people and not to investors or people who can afford to make these repairs on their own.

Another program we hope we will be making some additions to this year is our rural and native housing program. This program has been targeted to natives living off reserve and to people in remote and rural areas of the country. Some 50 per cent of all of the funds under that program have been targeted over the last few years to natives. We again expect that in the coming year, after completing a consultation process and an evaluation process of those programs that we will be coming forward with some new suggestions as to how we can improve that program as well.

One of the programs we have already improved is one that I announced a week ago yesterday, and that was a new and augmented initiative in the area of housing for the victims of family violence. This, of course, includes the women and the children who are victims of family violence. It also includes senior citizens. It also includes disabled people who, as you know, are these days the subject of family violence, something which all of us feel very deeply is completely and totally unacceptable in our society. As a result, not only must we try to prevent family violence from occurring, we must deal with the effects, the impact of family violence. We have to

provide some housing, whether it is emergency shelters for the victims of family violence or whether it is longer term housing after they have had a short stay in an emergency shelter.

The government already has in place a program called Project Haven, which started in 1988 and should conclude in 1992. Over that time we should be able to put in place another 450 emergency shelter units to help the victims of family violence.

A week ago yesterday I announced in Edmonton an augmentation of that program whereby we would provide a further $4 million for shelters and a further $16 million for second-stage housing for the victims of family violence. We estimate that the program, once it is in effect, combined with Project Haven with its 450 units of emergency shelters is going to be able to help some 27,000 victims of violence, whether they be women and children or whether they be senior citizens or disabled people who are suffering as a result of those abuses.

At the same time, the second stage housing I announced a week ago will be able to assist some 2,100 victims of family violence each and every year.

I do not think I have to say that housing is one of the very basic concerns Canadians have. It is what I refer to as one of the fundamentals, one of the cornerstones of Canadian society. As such, I believe very deeply that it is necessary for us to maintain into the future, as we now have, national standards in housing. We have to make sure that we allow people to become homeowners, because that is one of the deep-felt yearnings that binds us together as Canadians, that feeling that we want to be able to own our own home. Many people came to this country because they wanted to be homeowners.

In addition, we have to make sure that those who cannot afford to be homeowners, those who cannot afford to look after all of their housing needs, have decent and affordable housing wherever they live in this country, whether it is in urban areas, whether it is in rural areas, or in the remote north. Every needy Canadian who just cannot afford to provide decent, affordable housing for themselves has that opportunity. That is why we need to have national standards in housing.

In the debate on national unity which is under way right now and as we examine the question of the division of powers between the federal Parliament and provincial legislatures, one of the things we must bear in mind in this debate is the need for national standards in housing that apply right across this country.

One of the important aspects of the budget which ties in with the bill we are debating this evening, is the fact that all of the items in the budget are aimed at trying to bring down interest rates. It is obviously a very essential part of helping housing in this country.

It is interesting to note that a drop of 1 per cent in interest rates allows approximately 100,000 more Canadians to become homeowners. It makes housing affordable for 100,000 more Canadians with the drop of 1 percentage point in interest rates. In fact, over the last few months, I think it was about June or July of this year, you will have noted that mortgage interest rates had reached some 14.25 per cent. Now that is still far below the 22 per cent to 23 per cent that mortgage interest rates reached in the early 1980s, but at the same time, there has been a drop since June and July from a 14.25 per cent mortgage interest rate to an 11 per cent mortgage interest rate today. That has meant a very substantial difference in the affordability of housing. In fact, it means that the average person buying a house and paying mortgage payments on a $100,000 mortgage is in fact paying about $250 a month less than they were paying a few short months ago.

• (1940)

All of this is extremely important in encouraging housing and, of course, the building of housing and the improvement of the real estate market. All of that, of course, is what the budget is aimed at and, I think, aimed at quite successfully.

We are going to be doing some other things in this coming year as well and I would just like to comment on two of those very briefly. One of them is that I hope to be bringing forward some amendments to the National Housing Act which will allow the mortgage insurance fund of CMHC to ensure shared-equity home purchases. I hope, as well, that it will allow for the insurance of reverse annuity mortgages for senior citizens.

I expect, and very shortly will be announcing, the creation of a Canadian housing partnership centre which will take the initiative and act as a catalyst in developing public-private housing partnerships so that we can do more with the funds that we have available in providing badly needed assisted housing for Canadians.

At the same time, in this coming year we are going to be putting into effect some cost efficiencies and cost reductions which will allow us to continue to do and to help another 40,000 more Canadians next year much more than we are helping at the present time.

In conclusion, I just want to say that I believe that the budget that has been brought down by the Minister of Finance has created a delicate balance here, and, quite successfully, one which is going to lower interest rates, lower inflation, lower the deficit, increase economic confidence and, in doing so, it is going to give a boost to housing.

As you know, housing means strong families, strong communities, a strong economy and a strong nation.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, as always, the Minister of Housing presents a persuasive argument.

I want to begin my comments by congratulating him for the announcements that he made, of the shelters to help battered families. I applaud that, but I note in passing that, of course, the minister represents a riding in metropolitan Toronto as I do and he knows that the Toronto Homebuilders Association has been on the Hill many times and has spoken to many members of Parliament about the situation of housing in the Metropolitan Toronto area.

Of course, the minister knows as well as I, probably better, what Homebuilders of Toronto said. As I understand it, they said that the situation with respect to housing in the most populous city in this country is a disaster. Housing starts are virtually nil in the largest city in the country. Not only are housing starts virtually nil, but the housing industry is complaining about something which is very prominently mentioned in the budget, upon which the bill that we are debating is predicated, and that is the unfair treatment that builders have with respect to existing inventory under the GST and the artificial deadlines that have been imposed on the building industry with respect to existing inventories.

The minister has said that this budget is going to do great things. The minister has said that he is committed—and I believe it—to increased housing. He has also said that a 1 per cent drop in interest rates creates another 100,000 homes. But then he falls into the Tory trap; and that is to try and bring us back to ancient history and blame everything in the world on the Liberal government. And he dared to say that interest rates in the early 1980s, if you please, were in the 22 per cent to 23 per cent range. The minister knows perfectly well that that is an exaggeration, that they were there for a temporary time based on a world-wide recession.

My question for the minister of Housing is this: When are we going to see some meaningful drops in the interest rates so that we can see increased housing? What are we going to do about the GST anomaly with respect to the building industry in Toronto? When are we going to see something more than words? When are we going to see houses starting to be built in metropolitan Toronto and the rest of this country?

Mr. Redway: Mr. Speaker, I appreciate the opportunity to respond to my friend. I have to say that it was not I who drew attention to the problems with respect to the former Liberal government; I merely referred to the early 1980s. But my hon. friend has certainly pinned it down.

I, too, obviously have had a great many discussions with the Toronto Homebuilders and the Canadian Homebuilders as to what they believe should be done in order to deal with the difficulties that they are having. The first thing that they tell me is not to start meddling in the housing market with some sort of stimulated program. Stay out of that and let the market do its own thing, except bring down interest rates. I found in my post-budget discussions with homebuilders that they have been delighted at the thrust of the budget and the fact that it is aimed at bringing down interest rates; that that is the whole basis on which the budget is built, the recognition that interest rates have to come down.

I have found that the homebuilders are actually delighted with this budget and believe it is going to be extremely stimulative. I might just say that my sense—and I suspect the hon. member's sense as well—in

talking to real estate people in metropolitan Toronto is that the low-end housing, the affordable housing end of the market, is starting to move again. In fact, they can't get enough listings at the low end of the market. So hopefully once the builders get the interest rates lower, they are going to start building housing that is affordable, not these monstrosities for half a million dollars or a million dollars. That certainly will help the GST problem they have too.

Mr. Jack Iyerak Anawak (Nunatsiaq): First of all, I would like to congratulate the minister for coming up to my region, Keewatin. He is one of the few ministers of this government to come up and see for himself how high the prices are up north.

On another issue, I would like to ask the minister a question regarding his comments about how much more they would like to do for the aboriginal housing, native housing, on and off reserve. The minister will note an article in *The Globe and Mail* this morning—and it has been running for the past number of days—about a particular community. This community I think can be used as an example of a lot of communities in reserves. It is the Osnaburgh community, about which it was quoted that about 50 per cent of the housing is without electricity and 50 per cent is without water. Right next to it is Pickle Lake, which has all the good things.

The minister mentioned the programs that they are planning, and again, I reiterate the term "average reserve communities across Canada".

• (1950)

I would like to ask the minister what more can he do to ensure that these communities are brought up to standards. He mentioned putting in legislation to ensure that there are national standards in housing all across the country.

I would like to ask him what more he can do for the average reserves across the country in terms of housing.

Mr. Redway: Mr. Speaker, I would like to thank the hon. member for his kind words. I certainly enjoyed visiting his constituency which was a learning experience for me, as I have over the last year on two occasions. I have had the opportunity to see first-hand some of the great difficulties and the great problems in the far north of Canada, Arctic Canada.

At the same time, as the hon. member has pointed out, there are problems both on and off reserve in northern Canada, some not as far north as the hon. member's constituency, but we have got to deal with all of these problems.

Last summer I had the opportunity as well to visit native communities both on and off reserve in northern Saskatchewan and northern Manitoba. I visited some 22 communities in the space of about a week and I, too, saw very dramatic differences from one community to another. When I returned from that trip I was convinced that what we needed in particular was much more co-ordination between the two federal departments that deal with native housing. The Department of Indian Affairs and Northern Development, as the hon. member knows, deals with housing, for the most part, on reserve. We do have a modest role there in co-operation with DIAND but our basic role has been to assist natives off reserve.

I think we have been making great strides that way, although there is much more to be done. There is no question about that.

I believe, however, that through the consultation process, the evaluation process that we have carried out on off-reserve housing under the Rural and Native Program will be bringing forth some improvements and some good ideas that can help.

The hon. member will know that the Department of Indian Affairs and Northern Development has recently brought forth a consultation paper as well for housing on reserve. We are going to be working very closely with DIAND, and I would expect that out of that will come improvements and help for communities like Osnaburgh and others.

The Acting Speaker (Mr. DeBlois): The Liberals will now split their time in two. The hon. member for Kent.

Mr. Rex Crawford (Kent): Mr. Speaker, I am pleased to speak about this bill, with particular reference to the budget's affect on my riding of Kent, and southern Ontario as a whole.

Southern Ontario is the economic engine of Canada; in fact, southwestern Ontario alone is responsible for 60 per cent of the province's gross domestic product.

This is no ordinary recession. The government's economic policies are hitting southern Ontario hard. Plants are closing down and jobs are lost forever. It is a far cry from the temporary examples of the last recession of 1981 and 1982.

We know that an economy, like an engine, cannot keep revving at high RPMs forever. You cannot sustain a hundred miles an hour. But with proper upkeep and good maintenance the engine will be ready to fire again. But this government is a group of very poor mechanics. Its policies are putting up roadblocks and southern Ontario is seizing up with the twin-engine killers of high interest rates and a high dollar.

For those who say that this recession may be bad but it definitely is better than the last one, they are dead wrong. The welfare rates in Kent County are up 400 per cent from 1981 levels. The city of Chatham has a 30 per cent unemployment rate in the automotive sector. Companies such as Motor Wheel Corporation are closing their doors. That plant has been in Chatham ever since I was a young child, and we have been through tough times before. The Hunt-Wesson tomato canning plant in Tilbury closed down last year after being in operation for over 25 years. That plant and its workers made it through the last recession but not this one.

The blame lies in the high interest, high dollar, and free trade policy of this government.

I point out, Mr. Speaker, that it is not me who says that. It is not the unions who say that. It was Hunt-Wesson's president who said that. Those jobs are going to California and to Ohio, with tomato farmers in my riding left holding their baskets.

Before, Canada was armed for the wars of recession, but with free trade our guns are checked at the border and we now have no protection from the gunslingers of big corporate America.

A fact that should not be overlooked as well is that in the 1982 recession only 24 per cent of the layoffs involved total or partial plant closings. But in 1990 these accounted for 64 per cent of the job cuts.

This is not the same as 1981-1982. The impact of the recession is hitting everywhere.

In Dresden, population 2,500, two of its most major employers are closing their doors, over 100 jobs eliminated. Think of the ripple effect on the local economy.

In Chatham, at truck builder Navistar nearly one-quarter of its 800 strong workforce is laid off. Seimens, a world-class company with more than 1,000 employees now has nearly a third on lay-off.

But the biggest blow is the impending closure of Motor Wheel where only 250 remain of a workforce that once totalled over 600. The plant is shutting its doors in May.

About a third of Chatham's workforce is in the auto parts industry so it would follow that the city would suffer similar setbacks as other auto towns such as Windsor and Oshawa. But Chatham is smaller with a population of only 42,000 and when a plant lays off the result devastates and disrupts the entire local economy.

The lay-offs have had a dramatic effect on the city. Real estate sales are down 50 per cent. Bankruptcies handled by just one office of Peat Marwick Thorne in Chatham are up 50 per cent from last year.

Kent County is home of the Ontario tax revolt and it can only balloon after this budget. To compensate for the loss of federal transfer support the provinces and municipalities are either going to increase taxes or cut services.

Federal inaction could result in more bed closings at hospitals, even longer waiting lists for surgery, a poorer education system, and less money for roads and infrastructure.

The finance minister has actually suggested that provincial road budgets should be reduced. He must not do much driving on the 401 highway.

Modern highways and transportation routes are absolutely crucial to southern Ontario with their "just in time" industries. Improved routes to help our industries should be a priority not an afterthought.

This is no ordinary recession. The town of Dresden, ever since I can remember, always had about four or five farm implement dealers. Those small businessmen made it through 1981-1982, but not this time. Now there are none left—zero.

The working people see federal tax revenues up 70 per cent since 1984.

This is the stuff of which tax revolts are made. Canadian households will pay a total of $11.1 billion more in federal taxes, net of transfers, than they would if the 1984 tax system were still in place. An average Canadian family is paying about $1,000 more through this government's policies.

This is a government that promised in its first budget an $18 billion deficit this year. After six years of tax increases, program cutbacks and global economic growth, the government is having great difficulty explaining why the deficit is still increasing and the public debt is out of control.

In 1981 Canada followed the rest of the world into recession. This time we plunged into recession fully eight months before the U.S., creating the first "made in Canada" recession. The recession is cutting deeper into the economic foundation of southwestern Ontario.

The finance minister calls his budget a prosperity challenge. For most Canadians it is going to be a survival challenge. The years ahead will see the fiercest competition the world has ever known but we need the tools to do it. The government's actions are taking us in the other direction. We are witnessing the terrible deindustrialization of Canada. We have lost 229,000 jobs or 11 per cent of all manufacturing jobs since free trade.

• (2000)

The Canadian Manufacturers' Association has shown that the ability of Canada to compete with its major trading partners is only 85 per cent of what it was in 1980. We have lost 20 per cent of our share of the world markets during the last five years.

The trade balance with our major trading partner, the U.S., has dropped $6 billion since 1984. Further, our current account balance with our neighbours to the south has been ripped from a positive balance of $6.7 billion in 1984 to a $2.7 billion deficit in 1989.

These are certainly not the results that government is looking for, after saying we should be competitive.

As our industrial sectors are being sacked and pillaged through free trade and a sad economy, the Tory government has offered no adjustment programs to deal with the restructuring.

Canada is facing a serious long-term competitive crisis, and it is no more apparent than in southwestern Ontario. Southern Ontario, Canada's manufacturing heartland, is suffering from hardening of the arteries. As the winds of change blow away our economic structures and erode southern Ontario's foundation, the government is standing back and watching. Any good farmer knows that you do not just stand back and watch your soil erode and blow away. You set up windbreaks.

Our manufacturing sector is the soil by which Canada's economy grows and prospers. The Tory government is letting it erode.

Recession is not just a word in the dictionary. If affects your neighbour across the backyard fence, the farmer down the road, and the local coffee shop where everyone gathers at six in the morning. It affects your kid's hockey and baseball coach. Recession hits families.

To conclude, this is no ordinary recession. There is a tax revolt in Kent County as the Conservatives, through this budget, place more of the burden on the provinces and municipalities. Welfare rates in Kent Country are zooming, burdened by the weight of the recession.

No, this is no ordinary recession. The economic engine of southwestern Ontario is seizing up. The budget presented last week offers no tune-up, no answers, just more of the same. Our economic foundation is being wrenched away. Plants are closing down. Jobs are lost forever.

We need a government that is sensitive to the changes going on around us, one that will stick up for the little guy and will lend a helping hand to workers and their families.

Mr. Wappel: We need a Liberal government.

Mr. Crawford: Right.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I would like to compliment the hon. member for Kent on the sincerity of his presentation, although I must confess he did leave me a little bit bewildered with some of the things he said.

At one point during his remarks, I noticed he said that his constituency was the source of a tax revolt and that people felt they were paying too many taxes already in his constituency. I believe that is the thrust of what he said. Then, only moments later, he was complaining that

we may have a cut, as he refers to it, in EPF payments affecting education, health and welfare.

As I have listened with great interest to this debate today, time and time again I cannot help but be bewildered by my hon. friends opposite who on the one hand say: "We have too many taxes. Taxes are going up too high". That is revenue. On the other hand they say: "You cannot cut". That is expenditures.

Taxes cover expenditures. How do we increase expenditures if we do not want to increase taxes to pay for them? Maybe that is why my hon. friends opposite, when they were in power, got this country into such a horrendous deficit situation in the first place. I do not know.

I would like to raise a question with my hon. friend. I notice that like his friends further to his left he seems mired in anti-Americanism. He believes that Canadian consumers should not benefit from the best possible price and that we should build tariff walls around this country regardless of what it costs to produce consumer goods so that the Canadian consumer is gouged again and again.

Does he not have any consumers in his constituency? Perhaps my hon. friend would like to comment on those two issues.

Mr. Crawford: Mr. Speaker, I would like to thank the hon. member for posing the questions.

I will start with the last one: Do we have any consumers left in my riding? At the present time it is getting very shallow. We are losing consumers in our ridings through lay-offs with factories closing. We also happen to be on the American border. We are losing people who are shopping in the United States.

I know the minister spoke about cigarettes, which is great.

Mr. McCreath: You are losing to the United States because the prices are cheaper.

Mr. Crawford: Yes.

Mr. McCreath: If you had a competitive marketplace, then our consumers would get competitive prices.

Mr. Crawford: How are you going to do that? By lowering the wages of the poor working man who is paying over 50 per cent of his wages now? How do you expect him to pay the taxes?

In our riding of Kent, as I mentioned earlier, where the tax revolt has started, programs that the provincial government put on to the municipalities—

Mr. McCreath: Where are you going to get the money?

Mr. Bjornson: How are you going to support the farmers?

Mr. Crawford: We are going to support them a hell of a lot better than you have. The provincial government put programs on to the municipalities and then walked away. I know. I have been a municipal politician for approximately 14 years and had to put up with what Ottawa does and what the province does. They put programs into your municipality that you did not want and spend money beyond reason. We always said in the municipality: "We will do the job for x number of dollars. Give it to the province and they will do it for x and y; give it to the federal government and they will do it for x, y and z". That is what happens to cost.

In answer to the member's question, the other day I asked the Minister of the Environment where he got his $3 billion budget for the environment from. I am not disagreeing with the $3 billion. I am not saying it is too low or too high. I can agree with him. I wanted to know where he got the figure.

In municipal politics one starts at cent one and works up. In federal government one starts at the top and works down. The answer he gave me is quite simple: we needed $3 billion; it is there. But I cannot see where it started at penny one, $10,000 for a project here, $100,000 for one here, $125 million for another one. I have never seen those figures.

We started at penny one if it was $100,000. Our municipality is a lot smaller than the federal so I can use $100,000 instead of $100 billion. Once we reached that, we had no more money. Here there seems to be overruns. I sat on three government committees. There are overruns on every one of them: "Don't worry about the money; we can spend it". Contracts go out, and when contracts go out in a municipality one wants to know what the bottom dollar is, the last dollar to be spent on

that project, and no one goes one penny over it. Yet, federally it seems the programs can run 20 per cent, 30 per cent, 40 per cent over, or they hold a project up for five years, or study it for five years.

I have seen projects on the environment that were to cast for approximately $150,000, but over the last five years there has been $800,000 spent on studies and they still have not been done.

You are asking me where the money is being wasted—

The Acting Speaker (Mr. DeBlois): Order, please, the hon. member's time is over.

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, I am pleased to have this opportunity to speak on the government's borrowing bill and to raise certain economic issues of concern to northern Canada.

With this bill, Parliament is being asked to spend and to approve the government's spending plan. Parliament is being asked to approve an awful lot of money with this bill but very little of the government's proposed expenditures, as we learn in this budget, will address the most pressing social and economic needs of the aboriginal and northern people.

When the Minister of Finance tabled his budget a week ago, he announced that Inuit and Indian programs would be exempt from the extension of the government's expenditure control plan, which sounds very good on the surface, but we still do not know the extent of that exemption. The Minister of Finance neglected to tell this House and the people of Canada that the Indian and Inuit programs were capped for two years in last year's budget. There were some exemptions for health, education, social assistance and claims, but these programs were not exempted out of the goodness of the federal government's heart.

• (2010)

The federal government has a legal obligation to provide health, education, social assistance, and claims funding to aboriginal people. The question we have is: Does the extension of the exemption apply only to these programs which the federal government is legally obliged to provide? The answer is not clear. Even the Department of Indian Affairs and Northern Development was not sure last week.

As I said earlier, last year's budget cap on Indian and Inuit programs was for two years. The cap on Indian and Inuit programs is in effect this year as it was last year. This fact, the Minister of Finance neglected to mention in his speech.

I will remind the house that this cap on Indian and Inuit programs means the loss of $100 million to Indian and Inuit programs. The minister's own budget documents from last year display these figures in black and white. Last year $50 million was lost, and this year another $50 million is being cut.

The government is not restoring this lost $100 million. As I said earlier, we do not yet know how much the recently announced exemption covers.

Last year's budget strangled aboriginal organizations and aboriginal communications. The pattern continues this year.

Last year the core operating funding for the aboriginal organizations in this country was cut severely. This year it has been cut again.

The government's borrowing bill does not restore any funding to aboriginal organizations or aboriginal communications. Government's borrowing bill does not provide any additional funding to Canada Post for the food mail program.

Since the fall we have been waiting for a report from the Department of Indian Affairs and Northern Development on this issue, and we have yet to see it. When are we going to see this report?

The territorial government has had its transfer payments cut back by this government. The Yukon government will receive about $80 million less over a five-year period than it would otherwise have received from the federal government. The Northwest Territories will receive about $100 million less over the same time period. In 1991–1992, there is a loss of about $30 million in federal transfer payments to the Government of the Northwest Territories.

It has become abundantly clear that this federal government does not have an economic plan for the north. The government does not recognize the unique social and economic development needs of the north. Investing in the north is not a priority of this government.

The government produced a document in 1988 called *A Northern Political and Economic Framework*, but nothing is happening under this framework that is improving the daily lives of people in the north. Instead, the north

has seen only cutbacks and federal policies which discriminate against the north.

For example, we have seen in the past few years cutbacks in the funding formula for transfers to the territories, a tightening in the unemployment insurance program, a substantial weakening of the tax benefits provided to mining by the elimination of flow-through shares, previous increases in the sales tax burden on air transportation and telecommunication services, the imposition of the GST and others.

The 1991 federal budget is just the latest example of this federal government's anti-northern bias. The budget makes cuts to the environment, to the Canadian Jobs Strategy; to housing and to aboriginal organizations. It provides no help, no hope and no relief.

Instead, northerners are being told that they will have to continue to suffer. We have serious housing problems in the Northwest Territories. We have homelessness. We have overcrowding. We have social problems and health problems as a result, but the budget does nothing to alleviate these problems. Instead, it cuts back on the spending for social housing.

We have serious unemployment problems in the north, especially among our youth. This budget does nothing to help the unemployed. Instead, it cuts back on job training funds.

The north desperately needs regionally appropriate and culturally appropriate education and training programs. Forty per cent of the population of the Northwest Territories is under the age of 19. Where is the help for these young people? There are no jobs. Where is the forward thinking that would see our youth as our future? Why has this federal government not invested in our youth?

Last April, this House unanimously approved to support my private member's motion on aboriginal youth. The government has not acted on my motion even though, as I said, it was unanimously approved.

Our aboriginal youth have the highest suicide rate in this country. There are serious social problems, but there is little or no help from the federal government. The government has no vision for the north. It does not listen to the people of the north.

When this government makes economic policy, northern Canada and northern Canadians are left out. Our geography places us far away from the centre of Canada. Our population is small compared to southern Canada, but our geography and population are not reason to leave us on the fringe of federal, political, and economic decision-making. Not only are we on the fringe of this government's decision-making; we do not even get the fringe benefits that normally flow from being a Canadian.

There is a significant gap in the levels of services in the north compared to the rest of Canada. The borrowing bill and the budget will not reduce these gaps, and these gaps will likely increase.

Infrastructural needs in the north have barely been addressed. Yet, basic infrastructure is a necessary precondition to the development of a self-sustaining northern economy. We lack transportation infrastructures. There are no roads linking communities in my constituency. We cannot reduce our high cost of living and our business operating costs without basic infrastructure. Our community infrastructure needs expansion and upgrading.

Substantial catch-up funding is also required to bring standards of some educational and health facilities in line with those of the average Canadian. There are seven communities in the Keewatin region and no hospitals. There are nine communities in the Kitikmeot region and no hospital. There are 14 communities in the Baffin region and one hospital.

Our unemployment rates are staggering. The Government of the Northwest Territories is projecting an over-all unemployment rate of 24 per cent and a native unemployment rate of 40 per cent by the year 2000. Yet, there are only two Canada employment and immigration offices in a constituency serving 36 communities. The Keewatin region has one, the Baffin region has one. The Kitikmeot region has none. I want to use this opportunity, on behalf of the residents of the Kitikmeot region, to urge the federal government to establish a Canada employment office there.

Where is the Arctic environmental strategy? In December, when the government tabled its green plan, the Arctic environmental strategy was missing. Last week, the Minister of Finance cut $125 million from the green plan by stretching its planned spending from five to six years. Major elements of the Arctic environmental

strategy are supposed to deal with Arctic contaminants and waste clean-up. The green plan itself recognized that it was most urgent to protect the Arctic ecosystem.

In conclusion, we need action now. The federal government must make a commitment to the sustainable development of northern Canada.

A few weeks ago, several of my colleagues in the Official Opposition spent some time in the north with me listening to northerners about the economic situation. The government's policies and its latest budget are contributing to the creation of an Arctic ghetto.

I urge this government to reverse this course before it is too late.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I listened with great interest to the words of wisdom and instruction from my hon. colleague. He speaks very lovingly about his part of the country, and any members who have been up there will understand why. It is truly a very unique and special part of this great nation.

However, something struck me when I was up there and I listen to him and his colleague from the Western Arctic talk about the unique and special needs of Canada's aboriginal peoples and of the needs of the frontier that we call our north.

• (2020)

It strikes me as odd that when this country was making money, when the economy was doing so well in the last number of years and we had all kinds of revenue coming in, that this government did not practise the principle that you share the gain.

The government decides following its own fiscal mismanagement, after being at the stewardship of this country for seven years, and after it has raised taxes at an unprecedented level, that when times are tough, places like the Northwest Territories have to disproportionately share the pain.

If there is ever a part of this country that shares the greatest possibility of a new economic renewal in this country, I believe it is the north. My colleague has said quite correctly that this government absolutely has refused consistently over the last seven years to recognize the great resource that is the north, to recognize the great resource that is our aboriginal peoples, particularly in the north.

Now, when it comes time for budgets to be cut back, it turns a blind eye altogether to that great potential and once again our aboriginal peoples, in the north in particular, are suffering disproportionately. I am making a comment here, so I want to leave my colleague with almost a saving grace. I am from Atlantic Canada, and many times even my colleagues on the other side of the House, if they were not in their partisan roles, would agree with me that the regions of this country have suffered pain disproportionately, but we do not proportionately get the gain when things are good.

I want my hon. colleague perhaps to comment on this. This government has done something that I never thought was possible. There used to be have and have not provinces in this country. Ontario used to be a have province.

An hon. member: Not anymore.

Mr. Ron MacDonald (Dartmouth): The north, the Atlantic and the west were have nots. It has done, what nobody ever thought any government could do and that is make Ontario, particularly rural Ontario and southwestern and eastern Ontario, a have not province as well.

I want to ask my colleague: Now that it has wreaked economic devastation even on the economic heartland of this country, what does he believe that will do for the real needs of the north and of the people of the north which this government even in good times has not addressed?

Mr. Anawak: Mr. Speaker, I thank my colleague from the maritimes for his comments and question.

One of the things we have always been proud of as northerners was that we were able to get along without much assistance in the past. And we have. We have existed in the north for thousands of years without any federal government assistance.

Since the early 1950s, without being asked, we started having houses brought in. We had Hudson's Bay come in and start buying our furs and so we had to start existing on other things which previously we had not been using. That created rich employment, which I have no problem with, but it also created a demand for southern goods

such as groceries, such as dry goods, all the things that we are using today.

Those matters were addressed through some programs in the past, such as the Canada postal rate assistance for groceries so that communities in the north were able to buy groceries at a level that was almost affordable for the northerners, even though they were still about 50 per cent higher than in the more southerly regions. I just want to make one comment. The government started cutting back and even higher prices started coming in. This government, through its cutback of programs is creating an Arctic ghetto. Northerners cannot afford to buy groceries, any more, the very fundamentals of life such as vegetables. It is a treat to get an apple up north. It is a treat to get a banana up north. It is a treat to get oranges up north.

I just wanted to press that point.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for Manicouagan. Could the hon. member tell me if he intends to use the full ten minutes alloted or less?

Mr. Langlois: I will take ten minutes, Mr. Speaker, for my comments.

The Acting Speaker (Mr. DeBlois): I gather you are sharing time with a colleague from your party.

Mr. Langlois: That is correct, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The floor is yours then.

Mr. Charles A. Langlois (Manicouagan): Mr. Speaker, before getting into the main thrust of my remarks tonight, I would like to respond to a number of comments made by the hon. member for Nunatsiaq when he painted a rather bleak picture of life in his region, in the North.

I would like to point out to the hon. member that in my riding there are native communities all along the north shore of the Saint-Lawrence. These communities, Mr. Speaker, achieved a lot in the past few years. They got involved in their economic development, their housing development, as well as their development in the fields of health and education. They created organizations to achieve the objectives they have set and to improve substantially their living conditions.

I also had the privilege of visiting a few northern localities of my riding, along the Bay of Ungava. There too, Mr. Speaker, great strides were made. Since 1984, this government pumped considerable amounts into the development of the communities and institutions of the northerners.

That being said, Mr. Speaker, I would like to revert to the main thrust of my speech and tell you that this opportunity to speak on Bill C-97 will allow me to reflect tonight on certain very important aspects of the budget presented by the Minister of Finance. The borrowing authority requested is anticipating on the financial needs of the governement, needs that in turn depend in part on the efficiency of the measures which the government is going to take to control expenditures.

Since it came to power in 1984, this government has recognized that its first financial responsibilities lay with its own operations. Its operating expenditures have been severely restricted and even reduced in real terms.

Mr. Speaker, Canadians expect that the government and its civil servants also be subjected to restrictions in hard times. But most important, federal politicians and civil servants are requested to accept wage restraints in order to set an example during these difficult times. Wage settlements in the public sector should not increase inflationary pressures upon the economy. That is why the government shows moderation in its wage settlements while maintaining the principles of collective bargaining.

In fact, since 1987, wage settlements within the federal administration have been lower than those of the provincial, municipal, or private sectors, Mr. Speaker. In this period of recession, other restraints are necessary. The 1991 budget announced new spending cuts and measures to improve efficiency. The Prime Minister's remuneration as well as his cabinet members' salaries have been frozen for a year while the hon. members' wages are subjected to stringent limitations. The wage budgets of departments will not be adjusted for any increases in costs arising out of new collective agreements.

The government is not prepared either, Mr. Speaker, over the next three years, to consider wage increases beyond 3 per cent at an annual rate. Rates of salary increase for senior civil servants, deputy ministers, and

Crown corporation managers will be limited to a level not exceeding the average of negotiated settlements in the federal public service.

We will eliminate layers of management and reduce by 10 per cent the number of senior managers in the public service. Finally, next year capital spending and new-wage operating budgets will be frozen at their 1990-91 levels and subsequently we will strictly control their growth. This reduction program will allow savings of $3.6 billion over the next five years.

• (2030)

Mr. Speaker, all government levels must assume their responsibilities in that area, because we are all serving the same taxpayer. Moreover, we will all benefit from the alleviation of inflationary pressures under the form of lower interest rates, more vigorous growth, and greater job creation. Wage restrictions are particularly important at the provincial and municipal levels, more so in education and health care because the wage settlements increased at a faster rate than inflation in those sectors.

Wage settlements concluded in the private sector have also contributed to inflationary tensions. The reduction of those tensions will help in lowering interest rates, down, reducing costs, and improving competitiveness. There will follow a more rapid growth, new jobs and higher revenue.

Mr. Speaker, we must remember that the more dynamic economy that is the goal of those measures will allow the government to move faster towards deficit reduction and debt control. The spontaneous reaction to the request of $26 billion that is made in Bill C-97 is one of consternation, but the legislation only reflects the reality of government finances at this time. I prefer to take a positive approach to the issue, remembering that without the budget, a much greater amount would have been required.

Mr. Speaker, we should also remember that the last budget contained legislative measures that restricted government expenditures. This is the first time for a government to introduce such measures in a budget. It is an extremely important measure which will force all governments, present and future, to limit by an act of law the growth of expenditures.

Certain members also said, Mr. Speaker, these last few days, that transfer payments to provinces will not increase. This is not true, Mr. Speaker. Transfer payments will indeed increase, but at a slower rate than expected. Nevertheless, these increases represent 3.7 per cent or at last 3 per cent to 4 per cent of the amounts projected for the transfer payments to provinces.

These are measures which must be mentioned. These are positive aspects, and it is not right to say that this year's budget is completely negative for the economy. On the contrary, it is a budget designed to stimulate the economy. It is a budget which proposes spending cuts. It is a budget which is extremely selective in the additional charges it imposes on Canadian taxpayers. I believe it is a budget which will be approved by all Canadians and economic sectors, because it reflects accurately Canada's economic state.

Therefore, Mr. Speaker, I suggest that my colleagues approve this bill without delay. We must let the committee go to work right now and study the bill in order that it can be adopted as fast as possible. This is necessary to ensure the smooth operation of public finances and to keep control over the government's borrowing.

The Acting Speaker (Mr. DeBlois): Five minutes for questions and comments. The hon. member for Sudbury.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I listened with interest to the hon. member for Manicouagan. I am a little surprised that he seems to blame inflation, I mean inflationary pressures, in part on wage increases in the public sector. I have always heard, especially lately, that these increases did not make up for inflation. By and large, public servants are a little behind. Their wages never caught up with inflation. So, I find it hard to understand that inflation could be blamed on the public sector. As far as I am concerned, it was caused to a large extent, especially recently, by the GST, which has undoubtedly pushed the inflation rate way up, as well as the various taxes introduced over the past few years.

It seems a little unfair to blame the public sector, the governmental sector, for those problems. I understand that expenditures must be controlled, but we are not to blame a group of men and women who in fact have a hard task to fulfil.. Not all of them earn a lot. There are many secretaries and other small wage-earners among them.

Not only does the member blame them for the inflationary pressures, but the government decides to impose this 3 per cent ceiling and tells them: "Turn against each other now". Even for a modest wage increase, you are up against your neighbour, your brother, or your colleagues.

Do you think it is reasonable to do such a thing to the very people who implement the government programs?

Mr. Charles A. Langlois (Manicouagan): Mr. Speaker, the hon. member for Sudbury is reading far too much into my comments. My point was that some collective bargaining agreements, some wage settlements in various sectors, including the municipal sector and government corporations, have gone as high as 8 per cent. Perhaps she will recall the latest settlement at Ontario Hydro, with 7.8 per cent the first year and 8 per cent the second year, a settlement that in itself will help create or activitate inflation.

There have also been collective agreements in the public transit sector that were clearly higher than agreements negotiated in the federal and provincial public service. Those are the points I wanted to make. Furthermore, during the past two years, Mr. Speaker, there has been a tendency to accelerate or increase wage settlements in the private sector.

To control inflation, we must take the appropriate steps, which will include ensuring that wage increases in collective agreements are not part of the inflationary curve and rise completely out of sight.

It was just that particular situation, that I wanted to highlight in my comments. I did not put the blame on anyone. I simply gave the facts and reminded the House and the Canadian public that we must be extremely careful not to lose control of inflation, because if we do, we will get right back to the problems we had at the end of the 1970s and the early 1980s, when inflation simply got away from us, with the result that interest rates soared and the economic situation became extremely difficult.

That was what I was trying to say, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for Saint-Maurice, for a ten-minute speech.

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, I am pleased today to speak to Bill C-97 and follow up on the excellent speech just delivered by my colleague from Manicouagan, a businessman who was in a good position to know how the public sector operates and who can convey his opinion clearly, correctly, and concisely.

You know, Mr. Speaker, we have to learn to make choices in life. Some are easier to make than others. In my case, for example, it would be a lot easier today to say that public sector employees ought to get pay raises somewhat higher than what the government has provided in the budget. I will tell you why, Mr. Speaker. It stands to reason because in my riding of Saint-Maurice the federal government is by far the main employer, with the taxation data centre in Shawinigan South, the National Park of La Mauricie and a number of other federal government agencies.

• (2040)

How much easier it would be for me to walk in here and say quite simply that the government is wrong. That would make me more popular among public sector employees. Strangely enough, Mr. Speaker, after the federal budget was tabled I had an opportunity to meet with a number of public sector workers in Shawinigan. Of course they were disappointed, and that is understandable under the circumstances. Still I noticed something very different in the attitude of some of the union leaders who represent them and other employees at the Shawinigan South taxation data centre. They told me: We are not particularly pleased, but then we appreciate the current situation. We understand that the Government of Canada has to set its financial house in order, and we are aware that these past few years some people around us in Shawinigan lost their jobs, people who now have a hard time finding a new employer.

Public service workers back home understand that they have to make a special effort. Of course they did not feel like giving a standing ovation when they heard Mr. Wilson's budget address. I should think that nobody wants to applaud when kinds of measures are unveiled.

You know, we had a similar debate when the goods and services tax was introduced, and people were saying that it was one tax too many. Opposition members kept repeating they were against that tax, yet they did not suggest any alternative. Well, Mr. Speaker, if you were to walk down the street tonight here in Ottawa or in Sudbury in the riding of my colleague who had the floor a few minutes earlier, and asked the residents of Sudbury

or of Grand'Mère in my riding or again the people of Sept-Îles: "Are you in favour of a tax on gas; are you in favour of a tax on alcohol?" They would all say: "No, we are against any and all kinds of taxes." To my mind that it a perfectly normal reaction on their part, and I am not a bit surprised to hear every single Canadian say that he or she is against any kind of taxation.

Still, Mr. Speaker, we in this House have the serious and major responsibility to manage public affairs. Managing public affairs in our case means that this year we have to administer a budget of $156 billion. For most Canadian men and women who are listening to us and who are interested in politics, this amount is absolutely extraordinary, beyond comprehension. Very few people can grasp its true significance. Many people are telling us: "It just does not make sense that you should have quite so much money to administer". For a great many people in Canada, it is very difficult to understand the operation of the Canadian government. They are quite surprised when they learn that the federal government must pay as much as $36 billion every year in transfer payments to the provinces. For ordinary mortals, this amount is absolutely fabulous.

Mr. Speaker, I know that you would not allow me to say that the members of the Bloc Quebecois are absent, that they are not here in the House, and that they are almost never here. I know that such a statement would not be allowed. However, when they informed Quebecers of the budget's content, the member's of the Bloc Quebecois tried again to create a superparanoia by saying that Mr. Michael Wilson, Minister of Finance, had attempted again to favour the citizens of the other provinces at the expense of Quebecers. Whenever a budget is presented, we expect the members of the Bloc Quebecois to come out with the same identical recorded message; they have almost no staff in Ottawa and are almost always absent from Parliament Hill. Of course, I do not mention the House of Commons, for you would not permit it.

Yet, Mr. Speaker, there is a reality which Quebecers should be aware of. I should like to denounce the narrowminded and biased attitude of some of the Bloc quebecois members. One of them voted with the government while the others voted against it.

Just the same, when we check the real figures, we realize that the federal government's transfer payments program is not such a bad deal for Quebec. From 1961 to 1990, Quebec received from the federal government, not $91 million, but $91 billion, in transfer payments, while the provinces deemed affluent, including Ontario, Alberta, and British Columbia had to pay approximately $100 billion in order to help Quebec, the Maritimes, and a number of Western provinces.

So perhaps I should ask the members of the Bloc Quebecois whether they can deny this money is there, in addition to the tax revenue. And that is very important, Mr. Speaker. The money was not paid by Quebecers. It was paid to Quebecers by other Canadians, because we live in a federal system which tries to equalize revenues to help the poorer provinces. And this budget contains concrete evidence to that effect, Mr. Speaker.

The latest budget brought down by the Minister of Finance provides for transfers of $960 per capita in Ontario and $1,500 per capita in Quebec. The Bloc quebecois cannot deny those figures. They are right there in the Public Accounts of Canada.

I wonder why the hon. member for Shefford always forgets to mention this fact, since he kept bringing it up only a few months ago when he was still sitting on the Liberal side. Unfortunately, the hon. member was not pleased with the new leader of his party, so he decided to change his allegiance. The hon. member for Hull—Aylmer, one of the greatest federalists in this Chamber, Mr. Speaker, did not like Jean Chrétien as Leader of the Liberal Party of Canada, so first he sulked, and then he became a sovereignist. It's a little like the hon. member for Chambly in the New Democratic Party. This is a rather unique case. The hon. member for Chambly had developed an approach I never saw before in this House. When he isn't in his riding, he is a sovereignist and *indépendantiste*. When he comes to Ottawa with his car, "his lemon", as soon as he crosses the Quebec border, he turns into a federalist. That is the ultimate irony the New Democratic Party has brought to this Parliament.

Mr. Speaker, it is crystal clear that the federal government must make sacrifices. The Liberals can say, like the hon. member for Hamilton West, that the government has been in place for seven years, which is entirely true. However, when you inherit a rotten apple, thanks to the tender loving care of MacEachen, Lalonde, Chrétien and associates, Mr. Speaker, it becomes very difficult to

deal with the national deficit. We have taken brave, sometimes unpopular measures, but in the end they will ensure that Canadians have a healthier, more balanced government administration.

Today, it would be easy for the federal government to announce a 20 per cent increase in old age pensions, a 20 per cent increase in family allowances, and a 20 per cent increase in salaries for all public service employees. The government would probably become very popular in the short-term, and would be number one in the polls, but is that any way to run a country?

Mr. Speaker, I have been in this House for only two years and a few months, and if I were to add up all the requests from Liberal members and especially the NDP members, we would need an annual budget of not $156 billion but 400 or 500 billion dollars. The requests we get are absolutely phenomenal! They show an utter lack of fiscal responsibility at a time when we have a budget to manage.

Mr. Speaker, there is a lot more I would like to say, but I know you will not let me refer to the absence of Bloc Quebecois members. I will get back to this some other day, when I have an opportunity to highlight other aspects of this bill and the budget brought down recently by the Minister of Finance. Thank you, Mr. Speaker.

[*English*]

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, in listening to the member's speech, I noticed him talking about the rotten apple that he had inherited as a member of the government referring to the deficit problem.

I think the people of Canada would like to know a little bit more about the deficit and I refer him to the budget speech. In the budget speech, the minister talked about the plan for economic recovery and the debt servicing and reduction fund, saying that all GST revenues will be allocated solely to the effort to bring the public debt under control.

• (2050)

If he looks at page 78, under the debt servicing and reduction fund, he sees there that:

> The Prime Minister has given a commitment that any above-projected revenues from the GST will make a contribution to deficit reduction—

In the next paragraph it says that the fund:

> —will be credited net GST revenues and from which will be debited public debt charges.

I think the people of Canada would like to know what is under the shells that we are seeing here. Certainly I, as a member of Parliament, would like to know. It is implied that the money from the GST, approximately $16.5 billion after taking off administration charges and rebates, would be going to pay down the national debt.

Can this member tell me whether in fact that money will be going to pay off the national debt or whether this government is playing with people and in fact the money is going into general revenues toward the deficit, which is the year-to-year expenditures of this government? Can the member tell the people of Canada that, please?

[*Translation*]

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, I thank my colleague from the New Democratic Party for his question, because it is the very first time in my two and a half years in this House as member for Saint-Maurice that I hear a member from the New Democratic Party show a genuine interest in reducing the deficit. I want to congratulate him because this is out of character for the NDP.

You know what, Mr. Speaker? The hon. member should spread the good word and explain to his colleagues in the New Democratic Party that it is extremely important to fight and reduce the deficit. I listened carefully to the hon. member and, on that precise subject, I would like to quote, if I may, Mr. Speaker, words that were heard not so long ago in my riding when the member for Beauséjour happened to come and meet my constituents. He told them this: "Don't worry about the national debt, people of Shawinigan. It is not important". That is the message he had to give the people.

I must say that such an attitude is totally irresponsible, Mr. Speaker. With all due respect, it is unbelievable, in 1991, that the hon. member for Beauséjour would say something like: "Do not worry about the national debt. We will look after that later". This is parallel to his famous line on the way to resolve the constitutional crisis: "When the car is in the ditch, you go back and forth and back and, eventually, you get it out". Except that some people manage to drive the car right off the road. It was probably something like the solution he had in mind during the Oka crisis when he suggested: "Let the Warriors go and arrest them later.

It was probably something like the solution he advocated to settle the Persian Gulf crisis not so long ago when he said: "Well, it is not all that bad, we ought to give Saddam Hussein a chance to save face.

That, Mr. Speaker, is the kind of contradictory statements we hear. The Prime Minister and the Minister of Finance have been quite clear about the extra revenue the GST will bring in as compared with the manufacturers' sales tax. When the current leader of the Liberal Party was representing my riding, that tax cost hundreds and hundreds of jobs because the industries in Shawinigan and Grand'Mère were no longer competitive.

We did away with that tax, Mr. Speaker, and replaced it by a modern tax which is in force in socialist countries like Sweden and France. I was in Belgium recently and people there were telling me: "We cannot understand what is going on. We in Belgium have a GST, a value-added tax similar to yours and we fail to understand why some parliamentarians in Canada are against a sensible, modern and future-oriented tax." I am strongly in favour of rebuilding our country, Canada, Mr. Speaker.

[*English*]

Mr. Stan Keyes (Hamilton West): Mr. Speaker, this is the finance minister's seventh budget and the first delivered during a recession, although looking at the minister's previous budgets it can be said that each one has contributed directly to the conditions under which we now find ourselves. The projections of the Minister of Finance and Treasury Board are completely out of whack with reality. The budget offers no solutions to Canada's poor, sick, unemployed, and homeless.

The good news, yes, there is even one bit of good news in this budget, is that it may be the Minister of Finance's last budget, and that is where it ends.

Some of the minister's promoters say that this budget is intended to be the cornerstone of his legacy as Minister of Finance, but, for the life of me, I cannot see why. This budget is only the latest in a litany of measures that have not worked, have been painful for Canadians and have resulted in Canadians losing their homes, their jobs, and their sense of national pride in terms of what Canada means to them in institutions, in symbols and in universality. Like all of his budgets, this one erodes that vision and that philosophy of Canada even more.

Among other things, this is a budget that continues the government's assault on health care and education in Canada. By freezing contributions to the provinces and capping other transfers, the government is altering the balance in this country which seeks to provide equality for the provinces and equality for Canadian citizens no matter where they live, no matter where they work, no matter what their income, and no matter what their status is in life.

Through all seven Conservative budgets, the Prime Minister and the Minister of Finance have attempted to show us that they are competent and that they care about the institutions of this country and are prepared to put a caring feeling into the fiscal policies. However, Canadians have realized that this budget is the same as all the others before. They can see that behind the rhetoric of the strong economic policies and the catch-all phrases like stability, a positive environment, and economic strength, there is nothing. These phrases are meant to convey an image which is false.

I like to refer to it as a hologram budget, an image of economic make-believe which Canadians can walk and see right through. In this light, I can agree with the minister's supporters that the budget is an icon for future Ministers of Finance to follow. It will be a legacy carved in stone, a testament to economic mismanagement that unfortunately is something his disciples here on the other side will have to wrestle with.

The Conservative government propped itself up on the belief that it could provide strong economic policies to ensure Canada's competitiveness the world over. It claimed that by getting government out of their lives, out of the lives of Canadians, in effect deregulating govern-

ment, it would save a pile of money and that Canadians would be better off, although it never said exactly how nor when this would happen.

In spite of these claims, as a former journalist, I can say that such claims must be weighed against the evidence in order to verify the truth. This deregulation is not the panacea it is hailed to be. The Conservative government thought that all it had to do was point to the United States in order to see the benefits of this practice. There, deregulation had another name; Reaganomics.

In his new book about the legacy of the Reagan years entitled *Within Our Means—The Struggle for Economic Recovery After a Reckless Decade*, Alfred Malabre concludes that: "Most of the problems that festered under Reagan grew worse from the pile-up of the debt to the deteriorization of health care and to the decay of the infrastructure. New problems arose".

Sound familiar, Mr. Speaker? Canada's national debt piled up to over $400 billion dollars, doubled since the Conservatives took office in 1984. The deteriorization of health care is also upon us, courtesy of the minister's latest budget, and the decay in our country's infrastructure can be seen in the gaping holes of Canada's social safety net.

Deregulation in Canada was taken by the Conservatives to mean that it was okay to deregulate the federal government, okay to deregulate our national institutions, okay to deregulate our social safety net, because that is exactly what the Conservative government has done over the last six and a half years of being here in office.

I asked the member for South Shore to give us an explanation, of which he could not, and I will say again that it is about time that this government took responsibility for its own economic and fiscal mismanagement, without excuses, for the national debt that has to have been allowed to double under this government. This government experienced over six years of the most prosperous years in Canada in recent times and it could not control the national debt nor the deficit.

• (2100)

The Minister of Finance predicted in his first budget of 1985 that by the fiscal year 1991–1992 the deficit would have been brought down to $18 billion. In the budget of 1991–1992 the minister instead predicted a deficit of $30.5 billion. Even in his latest attempt at diversion, the Minister of Finance says that things should not be as bad within the next few years because inflation will come down to 2 per cent.

What hat did the minister pull that figure out of? Even in the best of times—and I think the minister hopes things will get a little better—inflation just cannot get that low. The minister had predicted that the inflation rate would only rise slightly once the GST came into effect. But what happened? The inflation rate jumped to an incredible 6.8 per cent.

The minister had based the current budget projections over the next five years on the belief that inflation would go down to 2 per cent. All I can say is that he should bring in a new budget which reflects reality.

Suddenly the Minister of Finance announces in his budget that under the new legislation government departmental budgets will be spelled out in black ink, and that the GST revenues would be allocated solely to reducing the deficit. That is contrary to the minister's statement that the GST would be revenue neutral. Remember we all heard that. Of course that was misleading. After ranting about the deficit for six and a half years when his government could have actually done something about lowering the deficit, this announcement is absolutely unbelievable. I can hardly wait for the minister's legislation.

Where did the minister's projections go wrong? Why is he so far off? Because the minister and his government have failed to understand that the deficit problem is not simply solved by cutting away at programs, by cutting away at institutions, but by promoting growth and investment which is something they have failed to do. Perhaps it is because of his high interest rate policies. Perhaps it is those high dollar policies.

It is not so easy for the minister to say that the current recession is not as bad as the recession of 1981–1982, which is like comparing apples and oranges. Canadians know the recession of 1981–1982 was an international recession, not as the New Democratic Party Leader

alleged today a Liberal recession, but one emanating from international problems which affected the major industrialized nations. This recession on our hands today, however, we all know is a made-in-Canada recession.

I want to examine some of the features included in the budget and Main Estimates for which this government must get the authority to borrow. The Canadian Jobs Strategy, the government's so-called retraining program, will have its funding slashed by $100 million. It is outrageous.

Since the minister acknowledged in this House that he expects the national unemployment rate to rise above 10 per cent this year, it means that an additional 200,000 jobs will be added to the 1.3 million people who are already out of work in this country. For those Canadians with jobs, the Conservative government has raised unemployment insurance. We warned them about Bill C-21. Premiums are up.

I would like to go on with all the examples that I have in this budget. There have been job cuts. In Hamilton West and environs I will give a few examples of companies. I imagine the member for South Shore will be quite familiar with job losses down Lockport way: Camco, Dare Foods, Stelco, Greening Donald, Canada Wire and Cable, Nabisco, Ball Packaging, just to name a few.

A year ago January we had an unemployment rate in Hamilton of 4.7 per cent. Just last January, one year later, it climbed to 8.8 per cent. In fact, we have had an increase in welfare roles of 46 per cent, but the government wants to cut back.

Let me conclude. Obviously we realize the scope and nature of occupational health and the importance of it in this country. I have been pushing day after day in this House about the CCOHS in Hamilton West. In fact, this House approved re-instituting funding to that organization. It has fallen on deaf ears with the minister.

Instead of investing in preventive health care, this government is divesting itself of universal health care. Under the guise of providing for tomorrow, this government is methodically dismantling our yesterday, the foundation on which this country was built.

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I am glad that the hon. member for Hamilton West indicated that he would welcome a response from me. I certainly welcome the opportunity.

I must compliment him on his remarks. They sound remarkably familiar to the thrust of what many of his colleagues had been saying earlier in the evening, although I must say he said them with somewhat more polish and I enjoyed them immensely.

However, I am greatly concerned that he has been here for much of the debate and I find it amazing that he has not benefited from so much of the wisdom that has been shared with the members of this House over the course of the evening. And he has not listened in terms of things like debt.

But, first of all he made reference to job losses and he made references to the community of Lockport which I have the honour to represent in this House. I must say that I should advise my hon. friend that, yes, we have dealt with job losses in Lockport, as we have in other coastal Atlantic communities. The reason we have of course is because of the decline in the fishery. My hon. friend surely is not going to blame the Minister of Finance for the fact that we do not have as many groundfish in the ocean as we might like to have at this time.

But I will say this: I am very grateful for the fact that we do have a government in power today and a minister of fisheries and a minister of regional development who have responded to those problems that we have had in providing community development funding for a town like Lockport to help them get over the difficult times.

I am really grateful that we have the Labour Force Development Strategy and the Canadian Jobs Strategy which are providing temporary relief for those communities as well as opportunities for adjustment.

I was really delighted that a little over a year ago the Minister of Employment and Immigration awarded a Community Futures Program to Shelburne County, Nova Scotia, which has benefited from it tremendously. That futures program is up and running and doing a tremendous job creating all sorts of employment opportunities through economic diversification for the people of Shelburne County.

My hon. friend, in his remarks, made reference to the $100 million reduction in the Canadian Jobs Strategy program, and yet I can recall just about a year and a half

ago being a member of the committee on Bill C–21 that travelled from coast to coast in this country and was going to put $800 million into that program, and my hon. friends opposite said: "These things are a waste of time. It is no good anyway."

When we talk about $100 million reduction, we should recognize that it is a $100 million reduction from $800 million that never really got there because his friends in the other place never provided an opportunity for that bill to pass so the money would be there.

There is going to be more money in the Canadian Jobs Strategy than there has ever been before. Perhaps he could explain to me why today his colleagues are so concerned about that Canadian Jobs Strategy money, when only a year ago they were decrying the whole thing as useless.

Mr. Keyes: Mr. Speaker, I thank the hon. member for his question. The first dealt with wisdom. Wisdom must first be spoken before it can be understood.

Then I move to his second question on jobs. Peter C. Newman reported in *McLean's* magazine just last month, and I quote: "As a member of the G–7, Canada still qualifies as one of the world's leading industrial states. But the reality is disturbingly different. The accelerating pace of de–industrialization which the Canadian economy has suffered in the past five years threatens to turn us into a Third World economy by the end of this decade. Unless current trends are reversed, the number of Canadian factory jobs will follow the downward curve of agriculture, so that by 1999 fewer than 10 per cent of working Canadians will be employed in manufacturing. The Science Council of Japan dubbed Canada a Third World country with an artificially high standard of living in 1986, and every available indicator since has continued to point downward."

• (2110)

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, this debate on the borrowing bill which flows directly from the budget of the Minister of Finance is a very timely debate. I say that because Canadians are very conscious of some of the economic indicators, indicators like the fact that our bankruptcies are up sharply. In the month of January alone they rose in this country 69 per cent. At this time we have about 1.3 million Canadians unemployed and that figure, according to the Minister of Finance will rise shortly to about 1.5 million people. That is a tragedy on a monumental scale.

Since the free trade agreement came into effect we have lost maybe 250,000 manufacturing jobs. That is like a scorched earth policy of a kind. Plants closed. Since Christmas, since the imposition of the GST, retail sales in this country have gone flat. In fact they have gone more than flat; they have gone straight down the tube. Of course, we have inflation shooting up as well and that is attributable also to the GST.

I have one more economic indicator. There are over 180,000 Canadians lining up at food banks in the last year. Something which I find traumatic is that one in six Canadian children is going to bed hungry every night. It is hard to believe that this is Canada when we cite those numbers.

Then under this government and according to this very religious right wing agenda which is pursued with alacrity and enthusiasm, we have seen a diminution of our institutions, be it the CBC, VIA Rail or Canada Post and of course medicare, which I will talk about in a few moments.

Perhaps the most overriding concern, perhaps the major concern in this country and the major preoccupation of Canadians, is how to get rid of this Prime Minister. Really the major questions Canadians ask themselves are: How do we get rid of this Prime Minister? How do we get rid of this government? How do we get rid of a Prime Minister who construes that a five–year mandate given to him through an election of a Parliament as a dictatorship. He can do whatever his little heart desires. Whatever his little old heart desires, he will have. He will not listen because, after all, he has been given this five–year mandate.

Mr. Speaker, when was the last time that you or that gentleman over there, or the other gentleman over there, was asked how to impeach a Prime Minister? Is there a way of impeaching a Prime Minister of Canada? Unfortunately I have to say that I know of no way we can impeach a Prime Minister. There is a way of getting rid of a Prime Minister. There is the old–fashioned political process, but I do not know of a way to impeach a Prime Minister. Yet, if I have been asked that question once, I

have been asked that question a thousand times: How do you impeach a Prime Minister?

Canadians are perplexed by our system. I will tell you why. They look across the pond over to Great Britain and they see how easy it was to get rid of a Prime Minister who had served beyond her time. There was a time when Margaret Thatcher was riding high, particularly after the Falklands War. She was untouchable, she was unbeatable, but the Iron Lady had served her time. They had a very simple way of getting rid of that Prime Minister. It was almost painless.

I think Canadians ask themselves: Why don't we have something like that? Why do we have to live with this monstrosity that hangs around our neck? Why do we have to live with a Prime Minister who has absolutely no moral authority to govern, a man who has been sitting in the polls at 14, 15 and 16 per cent?

Here is a man who says: "I will do whatever I want, regardless of public opinion and regardless of what Canadians want". Be it Meech Lake, the GST or the war in the gulf, it does not matter. This Prime Minister absolutely refuses to comply or to heed for one moment what Canadians are saying.

That is why Canadians are perplexed. They ask themselves about something as unpopular as the GST. There were 80 to 85 per cent of Canadians who did not want that tax. How many Tories said: "We will vote against this government and we will vote against the tax"? None, except two who were expelled from the caucus.

Canadians asked themselves: Why, when there is such an unpopular tax measure, can we not get backbenchers on the government side to stand up and vote according to their conscience? It is very simple: Because they know that under our system if they vote down the government, they vote down themselves; if they kill the government, they kill their own political careers.

So they stay like good little boys and girls, because they do not want to lose their political careers. I will tell you, Mr. Speaker, Canadians are absolutely fed up with it. The party system or the party discipline has gone too far. Particularly on the government side of the House, an MP is a mere puppet.

The cabinet does not have to earn its legislation. Once the cabinet stands up and says "this is the way it is going to be", what do the government MPs do? They are just like seals and puppets. All they say is: "Yes, sir; no, sir."

Canadians are absolutely fed up with it, right up to the teeth, and they will not put up with any more. Mark my words: there are going to be many Tory MPs who will pay the ultimate price because they would not represent their constituents.

I do not think I have any time left, but let me say something that relates directly to the budget. The finance minister and in fact all cabinet ministers go around and say: "We are not touching medicare, this crown jewel of social programs in this country". They are not touching it, despite the fact that they are going to take $2.3 million out of EPF, that is out of transfer payments to the provinces.

The estimates show clearly in black and white that the reduction in medicare payments will be in excess of $1 billion. Yet, these people have the unmitigated gall to say: "Oh, no, we are not touching medicare. Don't worry about it. Everything is fine and dandy".

The fact of the matter is that in just a handful of years there will be no more cash payments from the federal Treasury to the provinces for medicare. Yet, they have the gall to say: "Don't worry, we are not hurting medicare".

Once the government moves away from financial support for medicare, it is dead in the water, especially from the point of view that it will no longer be a national program. It will be the rich provinces that will have medicare. The poorer provinces will have a poorer kind of medicare.

I could go on about the slash in job creation programs. I could go on about the 24 per cent increase in UI premiums, which will have a devastating effect on small business. I could tell you, Mr. Speaker, if I had the time that there is absolutely nothing in this budget for rural Canada.

There is $1.3 million for the agricultural community, and I am very thankful for that. However, let me point out that $1.3 billion is supposed to cover the farm safety-net programs, GRIP and NISA, but that does not cover $300 to $900 million for the deficit of the Canadian Wheat Board. It does not cover the $450 million which is the shortfall in payments under the Western Grain

Stabilization Act, and it does not cover payments that will be made to the farmers some time this spring.

• (2120)

This budget is a failure. It is a failure. It is a Tory budget. You had better believe it. It is a Tory budget and it is a failure and Canadians understand that very well.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Questions and comments period of five minutes duration. The Hon. Member for South Shore has the floor.

[*English*]

Mr. Peter L. McCreath (South Shore): Mr. Speaker, it is with some regret that I rise because I think that the hon. member for Winnipeg St. James does little credit to himself, little credit to his party, and little credit to this Chamber, to speak in the manner which he has here tonight about the Prime Minister of Canada—but more important than that about the man whom Canadians elected as their Prime Minister with two back-to-back majority governments, the first time that has been done in 40 years in this country.

He says that we have a dictatorship. He says: "How do you impeach a Prime Minister?" Well, let me tell him if he wants to know about dictatorship. Dictatorship is where those who are elected do not get to govern. We have a democratic country where those who are elected govern and they govern for the term of office for which they are elected, unlike what seems to prevail among his caucus colleagues in the other place who chose to put democracy second and who were defeated two elections in a row and yet took upon themselves, as if it were their right, to turn down the will of the elected majority in this House who were elected and given a mandate by the people of Canada.

It is very simple to answer the question raised by the hon. member for Winnipeg St. James. If a majority of the members of this House lose confidence in this government and this Prime Minister they can be gone tomorrow just as quickly as they were in the United Kingdom earlier this fall.

But I want to tell the hon. member something. As he pointed out some have left, some did not agree with this government, just as people have left his own party during the last 12 months and sat elsewhere. But let me tell him that those of us who sit here sit here because we are proud to serve under a leader who has the courage to do what is right for Canada, who has the courage to be on the side of right even though it may mean unpopularity from time to time.

I think of the recent events in this world. Where did his party stand? Did they stand by the right, or did they stand by the polls. I would like to say to him that the people of Canada, when the next election comes, will ask the question: "Who stood by what was right for Canada, and who stood wherever the polls said this week they ought to stand?"

In closing, I met a friend who is an NDPer and he said: "The one thing you Tories got going for you that the rest of them don't have, you have a leader, a real leader, and in the next election Canadians will see him again as they did in 1984 and 1988".

Mr. Harvard: Mr. Speaker, I agree with the hon. member for South Shore. He has a leader—he has a rotten leader.

An hon. member: A dictator.

Mr. Harvard: Canadians realize the kind of man that they put in charge of this government for the last seven years and I can assure you, Mr. Speaker, Canadians are not stupid. As we say back at home: "We didn't come down the river on a bale of hay".

I can assure you that Canadians will make that correction in the next election.

He talks about leadership. Let me ask you this, Mr. Speaker. Is it leadership to refuse any amendments to the most unpopular tax measure that was ever foisted on the Canadian people? How many amendments did we introduce in the House? How many amendments were introduced in the Senate? Not one single amendment was adopted, not one.

Remember the wonderful Meech Lake Accord? Seamless web, seamless web, concocted in the dark, concocted some time after midnight by 11 men.

What does the Prime Minister say? He says that this is a seamless web, you cannot touch it. We might have a little debate out in the country, but you are not going to change it. He talks about the Prime Minister being a leader. Is that a leader? It seems to me that smacks of dictatorship. That smacks of a man who has no commitment whatsoever to the democratic process.

Yes, I agree they have a leader. He is a rotten leader and the Canadian people will make absolutely sure at the next election that he is gone.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, Bill C–97, which proposes borrowing another $26.4 billion, is one of a long series of government bills doing this. It is number nine since this particular party became the government in Canada. By this means they have borrowed something in excess of $200 billion, almost one–half of what the total debt of the country is at the present time.

The money is needed. We do not question that it will be needed by the time its authority under this bill runs out, due to the mismanagement of the government in office. For that reason alone, if for no other reason, we will have to vote against it as our expression of just how we feel about the mismanagement of this government.

I had the opportunity to watch the presentation of the budget in the House and made notes of a few things that I would question or that I would have liked to see changed. Of course, one does not get the opportunity to change them, but certainly one does get an opportunity to question.

The Minister of Finance talked throughout his budget about our inability to compete internationally. Well, whose fault is that? It was this minister, in co–operation with the Governor of the Bank of Canada who produced what the Conference Board of Canada called the first made–in–Canada depression, I mean recession. I better use the word recession, I suppose, it is the one they use.

The minister knew how it was accomplished. He kept saying over and over that he had to cool off the over–heated economy in southern Ontario. He did that by increasing interest rates and by increasing the price of the Canadian dollar. It was very simple. He knew exactly what he was doing. He boasted about it. It was the way he was going to do it. And surprise, surprise, it worked. At least that time he was right.

If it works so well to create a recession, then why not use the medicine in reverse to create growth of the economy, prosperity? But he is not ready to do that. He increased interest rates to cool off the economy and instead of bringing them down steadily and more rapidly, he is threatening to stop because he wants to control the growth of inflation. He wants to get the inflation growth down to 2 per cent. Well, when is he going to start turning the screws again? When are the interest rates going to start going up because we are nowhere near 2 per cent now.

He knows how to do it, but he is not prepared to do it because to him it is far more important to get inflation down to 2 per cent than it is to put Canadian people back to work. It is just that simple.

Was or was not the Canadian dollar part of the free trade deal? A former member of the cabinet of the Conservative government said that it was included in the agreement, not in the documents we read, but that it was part of the deal that our Prime Minister made with the President of the U.S. It would then be easier for the U.S. to export into Canada and make us more of a branch plant economy than we had been then and are now. This government is continuing that process of increasing the Canadian dollar to make it even more difficult for us to compete internationally.

And that is what it was all about. After all, it was the Americans that had a tremendous trade deficit with Canada and it was their desire to turn that around and our desire to co–operate totally with everything that Uncle Sam wanted.

He wants to get the deficit down to $28.5 billion. Well, at least he is consistent. I have heard that same figure every year that I have been here, and I know from previous experience that it was close to that every year before that. So it is always the target, but it is not going to be this year, it is not going to be next year. Two years from now it is going to be $28.5 billion. As I say, he gets full marks for being consistent.

When it comes to pay increases, they are going to be limited. But the part I liked, the part I just had to chuckle at, is that the increases for executives, deputy ministers, heads of Crown corporations, the people who are all at the top of the salary scale now, are going to be limited to the same rate as the rate bargained for with employees subject to bargaining. If they get 3 per cent, for example, then the Governor of the Bank of Canada, who got a 30 per cent increase last year, is going to get 3 per cent on top of whatever he is getting this time. The increase alone will be something like three times what the highest person in the bargaining sector gets as his total salary.

• (2130)

That is fairness, according to our Minister of Finance: the same rate. Is that restraint?

The restraint package of this budget adds up to $1.1 billion. The Auditor General told the minister how he could recover more than that in a year, but he chose not to accept the advice. Remember the proposal to impose a new tax on banks because they had not been paying taxes? A favourite story is that a teller in the Royal Bank was paying more taxes than was the Royal Bank. The Minister of Finance was going to get after them and was going to raise $2.5 billion from that one source alone. However, he came into the House two years ago and said that it proved to be too difficult, so we are going to let the banks get away with it; we will not tax them the $2.5 billion they could well afford to pay.

The Auditor General said that over a period of 10 years of the manufacturers' sales tax, the government had forgone $2.4 billion in revenue by not having enough people checking up on the corporations which were paying it. So once again, because it is too difficult to watch the corporations, we will let them get away with that $2.4 billion.

He said also that hiring one more tax auditor at a cost of, say, $40,000, on the basis of the figures he had within the Ministry of Finance, would bring in from $300,000 to $900,000 in extra revenue. For an expenditure of $40,000 there could be additional revenue of $300,000 to $900,000. He said there were hundreds of millions of dollars out there waiting to be picked up that way.

He warned us when we went into the GST program that because we did not have the auditors, because we were not ready to examine the inventories, for example—there were different ways, but one of them was to check the inventories on which the government was going to be paying GST tax credits for manufacturers' sales tax that they would have paid previously—we were possibly losing hundreds of millions of dollars there as well.

The government had the opportunities to go after the corporations and to go after the high income taxpayers; the Auditor General told it where some of them were and it knew where the others were. But it chose to go after the little fellow, as it is doing in limiting the wage increases to the lowest wage earners in the government sector, limiting them and letting off the people at the top, the high salary earners, the big corporations, the ones with the inventories that are going to make money on the GST when it opens up, because it is difficult to go after the big boys.

Mr. Speaker, he never explained to us why it was difficult to go after the banks for $2.5 billion. The government has never tried to deal with the Auditor General's concern about what should be done to tighten up on controls so that the corporations would not get away with claiming excessive GST credits on inventories; no explanation at all, no attempt to explain any of that, to the best of my knowledge.

The GST is going into a fund to deal with the deficit. I can remember in the legislature in B.C. when I was there four years ago, the Minister of Finance brought in a new fund. He called it "The Budget Stabilization Fund". At the time it was thought that it was somebody within his own department who used a name that could be shortened to "BS", because they knew that was exactly what it was and they wanted to reveal it to the world.

This is another "BS" fund. We are going to put the GST revenue of approximately $20 billion, $22 billion, into this new fund and out of it we are going to pay all of the debt servicing costs and get out of debt. The Minister of Finance said that in the year coming up, debt servicing costs—interest—is going to be in the neighbourhood of $45 billion. Up to now, he has always understated it. Let's hope he is high enough this time. But there is going to be half enough money in that fund in the first year at least to meet the carrying costs of the government debt. This is the way he is going to control debt. This is the way he is going to show the Canadian public that he is determined to keep expenditures under control and to get us to the point where there will not be any new borrowing.

This is another fund, such as the one in B.C. that was labelled quite appropriately as the "BS" fund.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I listened to the member with great interest. One of the things that I am not hearing from the third party, the party of the NDP, is their platform. One of their members stood up today and said, "Well, the Liberals have no platform", the Liberals this and the Liberals that.

We from Ontario have first-hand experience with what the NDP government of that province is doing. It went around and wooed all the ethnic vote. "Minorities, vote for us". We will do this for you, we will do that for you. Just last week, the provincial wing of their party held a convention. You would figure, that their mandate is what the grassroots and the delegates say, that this is what they are going to do. The leader of that party stood up and said, "No, just a minute now. This is not what we are going to do". He started sounding more and more like the Conservatives.

I am wondering what is the difference between the third party and the Conservatives. If the thirty party wants to do anything, it is like running a dictatorship. We know that the Conservatives have a dictator and he says, "My way or no way".

An hon. member: What have you been drinking tonight?

Mr. Karygiannis: I am not drinking. I don't touch the stuff. I am pretty sound and I am listening to my constituents. I am listening to the minorities.

Did you know, Mr. Speaker, that 450,000 of all small businesses in Canada are mom and pop operations, owned by first and second generation citizens? I have not heard the NDP say anything about this.

Will the gentleman of the third party finally stand up and tell us what they are going to do. Or will it be a song and dance like the provincial leader, "We are going to do this and then I am going to do the quick step and I am not going to do this". Is this what the hon. member is going to do? Is this how he is trying to woo the voters?

We are not doing a quick step. We know where we are going. I am wondering if the hon. member knows where he is going or is he talking from two sides of his mouth? He is thinking, "Oh, we smell power. We are going to talk from two sides of our mouths". Have some guts NDP and come clean because you are certainly not winning the popularity contest.

Mr. Stupich: Mr. Speaker, he did not leave much time for an answer to all those questions.

Mr. Karygiannis: Well, get to it.

Mr. Stupich: Mr. Speaker, I will address my remarks to you, not to him, and if he cares to listen, that is his choice. He might have been listening when the NDP was talking about our alternatives to the GST, but he was listening as usual with his mouth open and his ears closed unfortunately.

We gave our alternatives then. Among the things mentioned was to bring back the graduated level of income tax for the people at the top so that the ones making the highest incomes will be paying higher rates of income taxes as well as more total income tax.

We said we would reverse the procedure concerning corporations, and we are not talking about the mom and pop operations. When we were in government in B.C. we had two rates of tax. The smaller corporation paid a lower rate and it was the only province in Canada to do that. We are talking about going after the big corporations.

We would not find it too difficult to get that extra $2.5 billion out of the chartered banks. We would not find it too difficult to increase the percentage—to bring back the proportion of taxes paid by the large corporations so that it compares with what it was. Even when the Liberals were in office the corporations were paying almost twice as much in proportion to ordinary taxpayers as they are today. It is the Conservatives—

Mr. Karygiannis: You are worse than the Tories. You're hypocrites.

The Acting Speaker (Mr. DeBlois): Order, please. I remind all hon. members that some people watch TV and watch how the procedure works. The hon. member has one minute left.

• (2140)

Mr. Stupich: Mr. Speaker, I appreciate your intervention.

I told you, we go after high income earners and the big corporations. We cut back on some of the grants. There are hundreds of millions of dollars in here. The one area where they did not cut back was the hundreds of millions of dollars given to the large corporations. The largest corporations are the ones that get the most.

An hon. member: At least we have a policy.

Mr. Stupich: They give more to the Liberal Party than the others do, and they watch that. It is a matter of getting more taxes from those people who should be paying those taxes, cutting back on the revenue expenditures and on the expenditures to the large corporations, making them pay their own way fairly. It is a matter of bringing it back to the proportion it was when the

Liberals left office. There are ways of dealing with it fairly, and that is the thing.

We would bring in a fair taxation system. That is the answer. We would not need the GST.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise today to speak on this borrowing bill.

First of all, I find it amazing to hear the Liberals and the Tories and the hon. member from Toronto who has such a big mouth he is going to swallow himself whole if he is not careful.

Mr. Karygiannis: Mr. Speaker, on a point of order, if the hon. member was referring to me I wish he would withdraw his remarks. If I have a big mouth, that is why my constituents put me here. It is none of your bloody business. My constituents voted for me.

Mr. Laporte: If my hon. friend was not so arrogant, he would sit and listen to remarks. He asked a question of my hon. friend here who probably knows more about how to deal with people and understands the politics of this country than he will ever know. He asked a question and he refused to listen to the answer.

He sat there for five minutes and screamed at the hon. member, and he did not listen to his answer. Now, he is going to rise on points of order.

If the hon. member would care to know what the NDP position was, he could simply look at the record of the New Democratic Party in the province of Saskatchewan. He is still talking. He does not want to hear, because he knows full well the history of the Saskatchewan New Democratic Party which went in in 1971. It was there until 1982.

We had a balanced budget in Saskatchewan for 11 years, and we left office with $142 million surplus. That is one heck of a lot more than the Devine government which now has a $5 billion deficit.

In fact, when Grant Devine was elected premier of Saskatchewan in 1982, he went around the province saying: "We can afford to completely mismanage the province and still break even." He has not had a balanced budget in eight years.

If the hon. member wants to look at the record of the NDP and the CCF before in Saskatchewan, he would find that it is a very good record. He would also find that the record of Dave Barrett who was premier of British Columbia back in the 1970s was a very good record.

Now, Bob Rae is premier of Ontario. I hope he would ask that question two or three years from now, after the Ontario government has had a chance to deal with the mess that Premier Peterson left in the government. They went into the election saying that they had a surplus in the budget. It turned out there was a $2.5 billion deficit. There are thousands of people unemployed. Bankruptcies have gone crazy.

He talks about small business people. Small business people in Ontario are suffering, just like small business people in Saskatchewan are suffering.

That gets me to the point in this budget which I planned to speak on in the first place. Coming to my riding of Moose Jaw—Lake Centre, it is made up of small business people, workers, farmers and seniors. That is my riding.

There is nothing in this budget to help those people. In my riding, I have many constituents who have come to me who are saying: "I am working hard. I am trying to get ahead, but every time I turn around, this government has added more taxes. It is adding a situation which is intolerable and I cannot survive." That is what they are saying to me.

This budget is the same thing. The minister has said there has been no increase in taxes. There has not been because he introduced it on January 1 with the GST. It is the old shell game, as they say, that the Tories played.

They had a GST which was going to be revenue neutral back in 1988. It was going to replace the manufacturers' sales tax. It was not going to increase taxes. We had an indication back in December 1990 that in fact it is going to be an extra $5 billion and now maybe as high as an extra $10 billion. That is a massive tax increase. That is something that small business people in Saskatchewan do not like.

How has the Tory government in Saskatchewan responded? It has added a provincial sales tax to it now. We have a provincial GST on everything that the federal GST covers, starting April 1. That means that people buying meals in restaurants are going to pay 14 per cent extra, where they did not pay it before. It means that people who hire the plumber or the mechanic or so on, are paying 14 per cent more, which they did not pay

before. That is not good for small business. That is not good for the working people in my riding.

The government has an unemployment insurance bill which the Minister of Employment—unemployment I guess is a better word—said is going to allow for putting more money into job creation. It is going to make a better system for the unemployment insurance in this country so that people will be better protected. All it has done is raised premiums, lowered benefits and now it has taken $100 million out of job creation. On top of that, the premiums that were supposed to stay the same have now been increased as well.

Workers in Moose Jaw, like the workers across this country, are now going to pay $100 a year extra this year for unemployment insurance and $150 next year. The small business people are up around $140. That is another $140 they have to come up with, which is just one more item that brings down their ability to survive.

They say that they did not increase taxes, but they have in an indirect fashion with their off-loading. Their transfer payments are going to be down something like $4.5 billion over the next five years. The simple fact is that it is going to mean the provinces are either going to lower services or pass it on to municipalities. In Saskatchewan they have done both. The city of Moose Jaw is facing a huge increase because of this off-loading and the prospects are not going to get better. Other municipalities are saying they are simply going to cut services. Either way, average Canadians are losing out in this budget.

People in my riding are wondering where this government is. This is a government that is supposed to be good mangers of the economy and like the Liberals before them, they have made a complete mess of it. It is not the New Democratic Party that has raised a $400 billion deficit in this country. It is not the New Democratic Party in Saskatchewan that has a $5 billion operating deficit. It is the managers, the people who supposedly can manage the economy—the Tories, and they have made a mess of it.

In fact, back in 1982, Premier Blakeney was regarded by many business people across this country as a person who knew how to handle an economy. He was a New Democratic premier, a premier who knew how to have fair social programs and provide a fair opportunity for business. That is what this country needs.

They have put aside $1.3 billion for farm aid. Well, we are not clear where this $1.3 billion is going to go. One thing though, I will bet, is that it is not going to go to help keep rural Canada alive. It is not going to help keep farming families around. It is going to be a nice little attractive program which will look good for a year or two or maybe three. It will help to try to keep Grant Devine in office. Of course it is going to fail. It is going to be designed to help keep this government in office, which I believe is going to fail as well.

We have out of this budget, Canadians, workers who are frustrated, small business people who are discouraged and seniors who are simply upset. It is a government that has simply ignored their needs. It simply has not paid attention to them. That is what this government has done. It has not addressed the needs of my riding and it certainly has not addressed the needs of the rest of Canada.

My colleagues months ago asked the minister in the House to lower interest rates. Why does he not lower interest rates 2 per cent to help small business, to help workers, to help people with mortgages and so on? The Minister of Finance said: "All you New Democrats do is complain. We have just had seven good years of economic growth and now it is time to tighten your belts and you are complaining". What a joke. What an insult.

That minister should go to Saskatchewan and tell people in Saskatchewan they have had seven good years of economic growth and tell them to tighten their belts because those people are just barely surviving. They find it quite insulting. It may have been seven good years for Conrad Black or others of that description, but it sure has not been seven good years in Saskatchewan, nor has it been seven good years in most of the country.

• (2150)

This budget debate simply is a continuation of the philosophy of this government that has succeeded in completely dismantling the whole infrastructure that we have through a transportation deregulation, now with open-skies policy that is coming, the potential deregulation in communications, post office cuts and VIA Rail

cuts. The list goes on and on and on. The free trade agreement has had a very negative influence.

Just in conclusion, as I say, I cannot help it, but listening to this debate I have to laugh at the way that the Liberals and the Tories have been throwing barbs back and forth and making comments and it is them who have been the ones who have dismantled this country and put us in the shape and the position that we are in right now.

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, I want to address the member for Nanaimo—Cowichan, as well as the member for Moose Jaw—Lake Centre. I want to make sure they both hear these comments. From the former, we were getting a recipe, I guess, on how to control the deficit, in fact reducing and dismissing the deficit of Canada. I find that a little odd because I think that the member was in a former government of the province of British Columbia which turned a $100 million-plus into a $100 million-negative in a very few months. I do not know what kind of recipe he is going to be able to offer the Canadian public on how to handle the deficit.

I think it is very clear that this government has made a strong commitment and is a corner piece of what it is doing in economic renewal to remove this deficit which they see is the main part of the malaise of our economy and our future.

The member talked about the GST. He did not talk about any of the positive impacts, the fact that it was set up so that Canada could compete in the global economy, that it could export, that our manufacturing would not be hamstrung. We have access to the world now, certainly through the North America free trade agreement. Now, with the negotiations at GATT, in order to compete, clearly our manufacturing sector had to have the manufacturers' sales tax removed.

The member did not talk about the benefits of that and he did not congratulate his own province on the fact that by unifying the taxes, it has simplified the system and made it far more efficient. I congratulate the province of Saskatchewan for doing that. I am sorry that the member from Saskatchewan could not see fit to do that.

He talked about unemployment insurance, the changes that we made, but he did not talk about the retraining now that is possible with the private sector to become involved with the $800 million in funding now available so that our private sector gets a chance to reinvigorate its workers so the workers of Canada can finally have a chance to take part in this global interlinked economy, which is facing virtually every Canadian today.

He talked about service changes and the off-loading between provinces and municipalities. I think clearly that is the message we want home to Saskatchewan, Ontario and everywhere else, that it is time, by the lead set by the Minister of Finance's budget, that the other provincial agencies and municipal agencies looked at what they are doing with taxes and stop duplicating and triplicating things. Let us make it simple for Canadians. We have set the tone with the federal government budget for the future.

Mr. Laporte: Mr. Speaker, my hon. friend has asked a lot of questions or made a lot of comments.

First of all, if he wants to congratulate Grant Devine, I would invite him to come on out. I will set up a meeting for him and he can come out and congratulate my constituents and that will be great.

As far as the British Columbia government goes, it never ran a deficit budget under the Barrett government. In fact, it took a $550 million debt, which it had inherited, and turned it into a $250 million debt. It reduced it as well as balancing the budget. That is a pretty good record.

As far as job creation and so on, this government has talked a lot. But it has taken a $100 million cut in job creation. And if you talk to people in the CEC—they do not talk publicly, but if you get them in a small room somewhere, they will go on about the problems that this government is creating with job creation. They say they are being hamstrung; they are not being allowed to be proactive so that they can deal with some of the unemployment problems in this country. It is this government that has done it, and it has built it on a foundation from the Liberal government which preceded it. It is a situation that I find very funny.

Finally, with respect to the free trade bill, big business is now saying that the only way it is going to be able to compete in Canada is if it can have some harmonization, meaning we have to lower some of the social standards and we have to lower the taxes. That is the only way it can compete or unfortunately it will be forced to go to

the United States and do its business there and ship the goods back.

That is what we have inherited from this Tory government; that is what it has given us.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, before I begin, if you check I think you will find that there is unanimous consent for us not to see the clock so that I might complete my debate and that we will probably not have question and answer period.

Mr. Angus: There have been consultations, and the member did indicate that he would be giving a ten-minute speech with no questions or comments, so that although we would not see the clock we would not be past ten o'clock by more than six, seven, or eight minutes.

The Acting Speaker (Mr. DeBlois): Does the House give its unanimous consent to the suggestion of the hon. member?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): For ten minutes.

Mr. Angus: Only because he is a gentleman.

Mr. Volpe: I thank the hon. member.

Mr. Speaker, I find it a little ironic that here we are being asked by the government to pass estimates when its budget, in essence, asked the House to withdraw its mindset from the reality of today. The government is ignoring a reality that is staring every single Canadian man and woman in the face. Everyone in the country has recognized that we are in an economic recession. All economic indicators for 11 months in succession have indicated that the economy and the country is on the skids, and yet the government says that what we must do is we must cut back. We have to raise taxes because we have a big concern with the deficit and the debt. No one disagrees.

In fact, Canadians and all members of this House have been more than patient as they saw, for example—and I will read some statistics—that in 1985 as compared to 1984, the government increased income taxes as a share of government revenues by 4.6 per cent. The following year it increased it by a further 4.03 per cent, and again in 1987 by a further .18 per cent, and again in 1988 by 1.47 per cent. In total, over the course of the last six years, the government increased its revenue share of income taxes by 9.03 per cent. That is a 66 per cent increase over the amount collected in 1984. In absolute nominal dollars, 66 per cent represented an increase of $25,457 million collected more in 1990 than in 1984 from personal income.

An hon. member: Shame.

Mr. Volpe: And I might add, Mr. Speaker, that Canadians went along with that kind of record. They said that this has to serve some sort of purpose. The government went ahead and said that Canadians are generous. So in terms of excise taxes over the same period, we found it was an increase of 58 per cent of excise taxes. In nominal dollars, that represented an additional $12.447 billion collected from Canadian taxpayers, for a grand total, Mr. Speaker, of $37,904 million over the course of the last six years.

Canadians have a right to ask: What have you done with our money?

An hon. member: Down the toilet.

Mr. Volpe: If today you come before this House and say that you need more money because we have to address the problem of the debt and the deficit, because we have to make Canadian companies more competitive, we have to make the Canadian economy more competitive in a global market, we still have the right to ask: What did you do with that $37,904 billion?

• (2200)

In fact, the total revenue share for direct taxes increased by 51.8 per cent between 1984 and 1989, and a further 57.06 per cent from indirect taxes.

We still have a right to ask this government what it has done with that money and what it proposes to do.

There is only one conclusion that one can draw on the face of some of the suggestions that the Minister of Finance has proposed to this House, and that is that either the government did not know what it was doing over the course of the last six years—

Mr. Wappell: That sounds right.

Mr. Volpe: —or that it is grossly incompetent.

We have heard on this side of the House on many occasions that we must ensure that our Canadian manufacturers, that our corporate sector, that our industrial sector be more competitive. Well, from 1984 to 1985 the government decreased the share of revenue from corporate taxes by 6 per cent. The following year, in 1986, it decreased it by a further 19.1 per cent. It changed its

heart in 1987 and went up just slightly, by 3.5 per cent. But then in the following two years dropped it again by 8.5 and 8.3 percentage points.

In terms of government revenues—remember, this is a government that wants to address the problem of deficit and the public debt—it allowed corporations to decrease their share of contributions to the public revenue by 34 per cent, at the same time that it was increasing personal income tax revenues by more than 9 per cent.

Well, you say that perhaps we put that money to good use. Did we put it to good use? Well, the interest on the public debt increased by a grand total over that period by only 6.9 per cent, or, if you prefer, in absolute dollars, by $16,439 million. That represents a net shortfall of some $13 billion.

Well, Canadians are still asking: what did you do with that money? Did you, for example, take into consideration some of the concerns on international trade? Did we improve our competitiveness there? Did we improve the competitiveness of our manufacturing sector? On the side of international trade, for example, it might be instructive for some of the government members to know that what happened is that we had a 61 per cent decrease in our net balance of payments on the international trade side. We dropped $12.2 billion in the hands of the great administration of this government.

If we are going to continue to give money to this kind of administration, we want to see what we are getting in return.

What are we getting in return? We got an increase in the value of the dollar. That decreased the competitiveness of our manufacturing sector, of our export markets, by 10.6 per cent.

The Minister of Finance can come before this House and say what we need to do is we need to raise our revenues in order to decrease the debt and the deficit. One looks at the figures that the government issues and says well, something does not jive. Well, if it does not jive, with what gall can you come before this House and say that we have to cut back expenditures some more at a time of recession, at a time when people need some attention?

What did the government do with the money that we gave it? When it cut corporate taxes, when it increased income taxes, did it increase the competitiveness of our manufacturing sector? The manufacturing sector is collapsing all over Canada, most especially in Ontario.

Did it address the problem of unemployment? Unemployment increased just over last year when we had the last budget. It increased by 34.2 per cent.

Good heavens above, Mr. Speaker, how can any Canadian in his or her right mind say that we must contribute more to government revenues when we get nothing for that money?

What did we do, for example, on the question of Canadian Jobs Strategy? We are supposed to be developing a skilled labour force. But we cut 12.5 per cent from the moneys allocated for Canadian Jobs Strategy.

If Canadians cannot use the money for the purposes of stimulating their trade, for stimulating their industries, for developing their employment, for what in heaven's sake are we asking this money? Are we aware that last year we increased premiums on unemployment by 17 per cent, and we have upped that by a further 24 per cent this year? Where are we going to put this money if we are not going to put it at the disposal of Canadians?

We do not have to go much further than the construction industry which is virtually non-existent in all of Canada and most especially in Ontario. We have an unemployment rate of 85 per cent in the construction industry in Toronto alone, 85 per cent, and in certain sectors of that skilled labour market we have got even higher. For example, we have 99 per cent unemployment among carpenters, 88 per cent among electricians, 87 per cent among drywall workers.

Even more important than that is this engine of economy in southern Ontario also drives the wealth of service industries that are related: for example, insurance brokers and their staffs, lawyers and their staffs, accountants and their staffs. The real estate industry itself has collapsed completely.

Does this budget address that reality? No. It does absolutely nothing. Does it take into consideration that this is the time for the government to be pro-active rather than reactive? It does not do that either. Yet we have seen the generosity of Canadians as shown by the statistics that I gave you, Mr. Speaker, over the course of the last six years, and for that kind of generosity Canadians get nothing but the back of the hand of this government.

There must be another reason for the government's withdrawing from the economic sector, from the social sector, from the political sector. Can it be that perhaps it no longer believes in this country? Are we seeing the devolution of financial jurisdiction to be followed soon by political devolution in this country?

The only thing I can think of is that what we needed to do in this budget was to save enough money to send a shuttle back up into outer space so we could bring the finance minister back down to earth. What it seems like, quite frankly, with these cutbacks in expenditures and the increasing of taxes is that the finance minister is filing his nails while the country is collapsing around him. We need a budget that reacts to the needs of every man and woman of this country. This is not it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being 10.07 p.m., pursuant to the order made earlier today, the House stands adjourned until tomorrow at 2 o'clock, pursuant to Standing Order 24(1).

The House adjourned at 10.07 p.m.

HOUSE OF COMMONS

Wednesday, March 6, 1991

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CANADA WINTER GAMES

Mr. George Proud (Hillsborough): Mr. Speaker, following the closing of the Canada Games in Charlottetown, I feel honoured and proud to stand in the House and recognize all Canadian athletes who participated in the Canada Winter Games, 1991.

I am especially proud of our Prince Edward Island athletes for their fine performance. Prince Edward Island secured one gold medal in boxing, won by Mark Docherty, and three bronze medals, two won in boxing by Gerry Ryan and Trevor McAdam, and one bronze medal won in curling by the Sean Matheson foursome.

I wish to applaud all the organizers of the Canada Games, the thousands and thousands of volunteers who have established themselves as some of the most exceptional people in Canada.

I would also like to thank the Government of Prince Edward Island, the federal government, and specifically the Ministry of Youth, Fitness and Amateur Sport, for their efforts and support for the games.

Finally, I would like personally to commend each and every athlete who came, who participated, and who made this cultural and athletic event truly Canadian.

Yes, Canada, our youth are great. Yes, Canada, our athletes are competitive. Yes, Canada, we are a great nation.

TOURISM

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, as you know, tourism is Ontario's second largest industry. This sector of the economy has suffered significant losses in the last two years. I therefore welcome the announcement by the Minister of State for Small Businesses and Tourism that there will be an allocation of $4 million toward the promotion of southern Ontario as a tourist destination.

The southern Ontario advertising fund will be used to help tourist operators and other attractions throughout the region reach the American market in a way that will attract the most visitors. Instead of advertising against each other, they will be encouraged to co–operate and sell southern Ontario as a package.

In order for this plan to work, there must be co–operation and financial commitment from the province and the private sector. It is incumbent upon the province to make certain that it will commit the necessary funds toward revitalizing this important industry and take an active part in this effort.

I call upon the Government of Ontario and the region's private sector to give their enthusiastic support to this program in order that more tourists will view our region as an attractive destination.

* * *

HUMAN RIGHTS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, Earl Pratt and Ivan Morgan of Jamaica have been victims of violations of articles 14 and 7 of the International Covenant on Civil and Political Rights. Amnesty International and I appeal to the Human Rights Division at External Affairs to intervene on their behalf.

Pratt and Morgan are scheduled for execution tomorrow morning in Jamaica. It is Canada's obligation to uphold and strengthen human rights instruments and decisions.

Would the minister for the human rights branch of External Affairs move immediately and appeal to the Jamaican Minister of Foreign Affairs to prevent this execution?

* * *

THE ENVIRONMENT

Mr. Ken Monteith (Elgin—Norfolk): Mr. Speaker, the Great Lakes pollution prevention initiative announced yesterday by the environment minister is a major step in the revitalization of the Great Lakes. As a member of Parliament representing Canadians living and working along Lake Erie, I am pleased that every sector will have input in developing strategies needed to achieve major reductions of toxic substances that are polluting the Great Lakes.

I am also pleased that funding will be available to assist industry in introducing pollution technologies into its operations. Prevention of pollution is the key for a cleaner environment for all Canadians.

* * *

WAGE SETTLEMENTS

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, yesterday, before the Empire Club and the Canadian Club in Toronto, the Minister of Finance said that "what we", the government, "are trying to do is break a cycle of wage and salary settlements that are 2 and 3 per cent—sometimes more—higher than inflation".

Last year the inflation rate was 5 per cent. I wondered what sector of the Canadian work force was receiving average annual wage increases of 7 per cent or 8 per cent.

Labour Canada says that private sector workers averaged a 5.7 per cent wage increase, public sector workers 5.9 per cent, and federal workers averaged only 5.3 per cent.

So who was getting 7 per cent or 8 per cent? Canada's executives, that is who: 7.8 per cent in Toronto, 7.3 per cent on average. A typical chief executive officer earns $450,000 a year.

The Minister of Finance would be better to target his friends on Bay Street, rather than to blame the workers on the shop floor for our current recession.

I hope the Minister of Finance sends a copy of his comments to the Governor of the Bank of Canada, whose salary has increased by as much as 21 per cent for each of the last three years.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, I must say that I was profoundly disappointed and very frustrated by the press release the Quebec government issued yesterday afternoon on a joint decontamination program for abandoned sites presenting a high environmental risk.

Imagine my surprise, Mr. Speaker, when I noticed not one of the five sites proposed by Quebec was in the Abitibi-Témiscamingue region, where most contaminated sites are found. For instance, the Duparquet site was deemed a threat to the environment and a high risk site by the Quebec government.

Today, I made my profound displeasure known to Minister Pierre Paradis and to the hon. Robert de Cotret and I urged them to give priority, and the sooner the better, to the abandoned and dangerous contaminated sites in my region.

* * *

[*English*]

GASOLINE PRICES

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, consumers in Sudbury and Ottawa who filed numerous complaints with the Competition Bureau of the Department of Consumer and Corporate Affairs over gasoline prices, cautiously welcome the news that the department has finally decided to take action and launch an investigation into possible gasoline price fixing in these two cities.

For several months, consumers from all across Canada have been suspicious of gas prices and the variety of reasons given for vast price differences throughout the country. The government, however, only promised to monitor the situation.

This investigation should have started earlier. Canadians deserve protection from being taken at the pumps. They want the government to assure them that gas prices

are indeed fair. It remains to be seen if this government can give such assurances.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, on November 2, 1989, the Quebec Department of the Environment wrote the federal member of Parliament for Témiscamingue, Mr. Gabriel Desjardins, concerning contaminated sites called high risk abandoned sites. This letter mentioned sites in Arntfield, two in Duparquet, two more in Cadillac and one in Joutel.

Yesterday, the Quebec Minister of the Environment, Mr. Pierre Paradis, approved a federal-provincial decontamination agreement concerning high risk sites in Quebec which did not include these dangerous sites. And the sites covered under this agreement were those designated by Quebec!

Mr. Speaker, once again the Quebec Minister of the Environment forgot Northern Quebec in his prayer, and the people of Abitibi-Témiscamingue will end up in paradise, or in hell, because of these dangerous contaminated sites.

* * *

[*English*]

THE BUDGET

Mr. Bob Wood (Nipissing): Mr. Speaker, the finance minister's latest budget is like 19th century literature: you have to read between the lines to understand its true meaning, for it is not what it says that is significant but, rather, what it does not.

Many communities in northern Ontario rely on either mining or lumber for their well-being. This government's high interest rate and high dollar policies have crippled these industries.

• (1410)

How is this budget going to help? By cutting back transfer payments and shifting an even greater burden to municipalities that have already been brutalized by the recession that the government created.

The Minister of Finance is forecasting an unemployment rate of 10 per cent. For most northern communities the current rate is nearly twice that and is only expected to increase. How will this budget help the unemployed? By cutting $100 million from job retraining, by cutting social housing, health, and welfare. What does the budget say? Absolutely nothing.

For northern Ontario last year's budget, with its debilitating cutbacks, represented a Stephen King style massacre. This year's budget with its cryptic, silent approach is more along the lines of an Alfred Hitchcock terror; it just leaves one hanging.

* * *

THE BUDGET

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Minister of Finance made interesting choices in his budget. For example, he chose to continue the business and entertainment tax deduction which cost $1.1 billion. In fact he made the deduction even better by extending the write-off to include the new goods and services tax. The Minister of Finance also chose to cut the federal contributions for health services by the same $1.1 billion.

Yet, here is what the Prime Minister said about health care in August 1983:

> The Progressive Conservative Party is in favour of quality medicare, universal medicare delivered to our citizens. Problems have arisen because of a unilateral and arbitrary cutback by the federal government to the provinces who are charged with footing the bill. That's the problem.

Today Canadians want to know why the problem of 1983 has been greatly accelerated by the Prime Minister's own government. They want to know about the government's choices: the choice to attack medicare in order to protect the big businesses.

* * *

ACID RAIN ACCORD

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, President George Bush will be visiting Ottawa on March 13 and March 14 to sign the Canada-U.S. bilateral acid rain accord.

This accord commits both countries to permanently decrease acid rain-causing emissions to a level that will no longer threaten the Canadian environment.

The signing of the agreement on air quality between the Government of Canada and the Government of the United States of America marks the culmination of a

long history of this government's efforts to find a solution to the problem of acid rain.

The air quality accord, plus the measures contained in the Canadian acid rain control program and the U.S. Clean Air Act, will control the acid rain problem and provide a means to resolve other transboundary air quality concerns such as urban smog and air toxics.

* * *

MINING

Mr. Maurice Foster (Algoma): Mr. Speaker, yesterday it was announced that another 400 mining jobs would be lost in Elliot Lake within the next few months. This will raise the total number of mine jobs lost since last summer to nearly 3,000.

The resulting impact on local small business, the municipal government, school boards, and the community at large will be extensive, resulting in estimated job losses of 5,100 which is over 60 per cent of the labour force.

Elliot Lake and the neighbouring north shore communities are making the tremendous economic adjustments needed to continue as a thriving community.

However, the federal government must respond immediately in the following way: by approving the $6.3 million Community Futures budget, by providing a CMHC loan guarantee to ensure the viability of the retirement living project, by approving the funding for improved navigational aids at the Elliot Lake Airport, and by decentralizing federal government departments and agencies to Elliot Lake.

Elliot Lake has the spirit to survive this crisis, but the support of the federal government is crucial to its success.

* * *

[*Translation*]

TRANSPORTATION OF GOODS

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, today I would like to take this opportunity to express my concern about a matter that may have a serious impact on CN workers in Jonquière. Let me explain, Mr. Speaker. For several months, CN and Roberval Saguenay have been discussing the possibility of letting Roberval Saguenay take charge of the transportation of goods in the Saguenay—Lac-Saint-Jean area. In itself, this may be a good deal for both parties. What worries me however, is that Roberval Saguenay, which is anxious to get a good deal, will come down heavily on CN workers. I have enough information to believe that the deal between CN and Roberval Saguenay would put about 30 CN workers out of work in our area.

Mr. Speaker, if the deal is closed on that basis, it would be entirely unacceptable. Roberval Saguenay must reject that option. I want to appeal to the directors of Roberval Saguenay and CN to inform our workers and our communities of the real tenor of current discussions, the various options considered and the real impact this will have on jobs.

* * *

[*English*]

TRANSPORTATION OF DANGEROUS GOODS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, there is an old saying that if you have a glass that is half full, all the pessimist sees is a glass that is half empty. Well, if the glass contained 18,200 pounds of chlorine, federal transport regulations see a completely empty glass.

That is the lesson from an investigation into a derailment in February 1990 in Brampton, Ontario. At the time CN officials told local authorities that one of the cars, a damaged tanker, was empty, containing only the residue of a chlorine shipment that had already been removed. It was not until they began loading the tanker on to a flat-bed car that they found out it contained nine tonnes of deadly chlorine.

The investigation blames contradictory federal regulations. The resulting confusion could have been fatal both for railway and emergency workers and adjacent residents.

It is absolutely clear that the government has to move immediately to clear up this confusion. We cannot tolerate slipshod relations when the safety of Canadian workers and residents is at stake.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Prime Minister and concerns the Spicer Commission's total loss of credibility.

As we are nearing the debate on the Allaire report that will take place this weekend and the tabling of the Bélanger–Campeau report, and at a time when several provinces have established parliamentary committees to examine the division of powers, why doesn't the Special Joint Committee of the Parliament of Canada have the right to examine the division of powers? Why is everybody across Canada examining this issue, except the Parliament of Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Official Opposition in the Parliament of Canada has every right to advise us of its opinions in that respect. We have the Spicer Commission and we have the Beaudoin–Edwards Special Joint Committee which is now sitting. I am sure the various commissions and committees would be glad to receive the comments and recommendations of the Official Opposition.

If, at a given time, it appears appropriate for this House to create a parliamentary committee to examine the positions of the Official Opposition and other political groups, we will of course take steps to initiate this process.

However, as far as the negative comments on the Spicer Commission are concerned, I may remind the Leader of the Opposition that the Liberal Member for Gatineau—La Lièvre, Mr. Assad said a few days ago that this was no time to complain about the Spicer Commission because they hadn't had a chance to do anything yet. So, listen to your member before complaining about the Spicer Commission.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I think the public will be the judge of the credibility of the Spicer commission. I am concerned about the role of Parliament.

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member.

Ms. Copps: I am very concerned about the limited role of Parliament at this crucial time in our country's history.

Many provinces are looking at the issue of division of powers, but the Prime Minister has tied the hands of the parliamentary committee when it comes to a full public examination of this issue.

However, the Prime Minister has set up a committee of deputy ministers in secret to study and overhaul the federal powers. Why are deputy ministers meeting, again behind closed doors, to review the division of powers but the public parliamentary committee is not allowed to look at the same issues?

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says there is a limited opportunity for Parliament to examine this matter. I would be happy to hear from my hon. friend in regard to any suggestion that is reasonable and appropriate. I would be happy, as I have indicated, to undertake a dialogue which would give rise to a constructive discussion. I think the greater the input, the greater opportunity Canada will have to deal with this matter.

Perhaps my hon. friend could begin with the fact that the Official Opposition has nine Opposition Days in the House. Perhaps a good way to begin and to help the country might be for the opposition to take one of those days and set out with some clarity and some precision its ideas on how this might be accomplished.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, Canadians are painfully aware that secret meetings and rolling the dice have cost us dearly.

What we want to know now from the Prime Minister of Canada is this: Is he prepared today to announce an expanded mandate for the parliamentary committee to look at the specific issue of division of powers so that the Government of Canada and the Parliament of Canada can have some say on this crucial issue as it is being examined by provinces across the country? Will I get an answer?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as I have indicated in the past, the government leader in the House of Commons is ready to meet with the representatives of my hon. friend at any time, or with members of the NDP, to examine this possibility. If it is

constructive and helpful, we would be happy to proceed with an instrument that could be of benefit to Canada.

My hon. friend refers to a comment I made in regard to rolling the dice, thereby attacking me.

Some hon. members: Oh, oh.

Mr. Mulroney: Perhaps I could refer to a comment she made on June 4, quoted in *The Toronto Star*. "Said Copps: "Jean Chrétien, you have not understood Quebec and you are gambling dangerously with the survival of Canada. One does not find the future, Jean, by looking in a rear view mirror".

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

The Prime Minister wants Canadians to believe they are being listened to in advance of the national government taking any position on renewed federalism. If that is the case, why has the Prime Minister instructed a powerful committee of deputy ministers, operating in secret, behind closed doors, to draft proposals on renewed federalism?

I ask the Prime Minister, is the Spicer commission a genuine public consultation or a public diversion while the Prime Minister, once again, orchestrates matters behind closed doors?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend cannot have it both ways. On the one hand, he asks for public participation and when we bring forward the Spicer commission, he leads the attack to undermine and denigrate the commission.

The Spicer Commission is functioning with a view to receiving as many opinions from Canadians as is possible. I think all members of the Spicer commission look upon their responsibilities very seriously. They are earnestly seeking out as many opinions as they can to be helpful to Canada. The Edwards–Beaudoin committee will be sitting the next seven or eight days through western Canada, inviting submissions from Canadians in regard to the amending formula, which is very important. They will then go to Atlantic Canada, throughout Ontario and then throughout the Province of Quebec.

It is our hope that the substance of the Spicer commission, along with the procedural improvements that hopefully can be made as a result of the Beaudoin–Edwards committee, will help all parliamentarians along as we put together a formula and a matter of substance that Canadians will view with favour as contributing an important building block to Canadian unity and the building of a new Canada of which all Canadians will be proud.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I hope all Canadians have noted that the Prime Minister has twice refused to deal directly with a question about the secret committee of deputy ministers operating behind closed doors. The Prime Minister is playing his cards pretty close to his vest, but it will not hide the fact that, once again, he is playing poker with the future of Canada.

Is the Prime Minister prepared to tell members of this House and, through this House, all Canadians precisely what is the mandate of this committee of deputy ministers and when is the Prime Minister prepared to share that mandate and their findings with all Canadians? Is he going to do it now so that Canadians can comment, or is he only going to unveil this master plan later when the so–called public consultation is all finished?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, there seems to be a serious problem with this nefarious committee. If it is secret, how does the hon. member know about it?

Let me put the anxieties of my hon. friend to rest. There is no secret committee; but I can tell him that if there was one, I would ask him to join.

* * *

FISCAL ARRANGEMENTS

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

The finance minister stated in his budget that he is discussing new fiscal arrangements with provincial and territorial counterparts. There is a growing concern that these new fiscal arrangements will fundamentally impact on national unity and on the future relationship of the federal government with the provinces and the territories.

I asked the Prime Minister yesterday and I ask him again today: In these discussions on "new fiscal arrangements", what is going to be on the table? Are health care, regional development and social programs going to

be on the table? Are these fiscal negotiations, in truth, in reality, constitutional negotiations by another name?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, these are not "constitutional negotiations by another name", to pick up my hon. friend's words. We have been having a number of discussions with the provinces over the past year or so on the question of equalization, a program which must be renewed in 1992, with the major transfers of Established Programs Financing and the Canada Assistance Plan, as to what the structure of those two programs should be, as well as on the question of the tax collection agreements. These discussions will continue at least over the course of the next few months.

What I was announcing in the budget was a broadening of that process, to invite some public dialogue on the question of how these transfers should be structured and what the tax collection agreements might be revised to.

But I should underscore the point that the discussions do not involve any discussion of the medicare program, of post-secondary education, of highways development, where the moneys might be used by the provinces. Those are not within our jurisdiction; those are within the provincial jurisdictions.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, a supplementary for the Prime Minister.

The finance minister included in his budget speech that he was going to be talking about these new fiscal arrangements. Everyone knows that fiscal arrangements are a key part of the constitutional make-up of this country, and they do affect health care, social programs and regional development.

• (1430)

It does seem that the government is seeking to change some of these arrangements, which is simply different men at a different table, similar to what we saw in the Meech Lake discussions.

I want to ask the Prime Minister again: Is he trying to have his government and his finance minister negotiate new fiscal arrangements which are really a discussion for constitutional arrangements? Is the Prime Minister allowing the finance minister to negotiate fundamental changes to Canadian federalism before the people of Canada have been heard?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the answer to that question is, of course, no.

I am quite surprised by the almost pejorative allusion that the leader of the NDP makes to both Meech Lake and the process. Meech Lake was widely supported and indeed applauded by her predecessor as leader of the NDP and almost every member of Parliament.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary for the Prime Minister, and it is quite straighforward. Does this government intend to negotiate fiscal arrangements which actually concern the Constitution more than anything else? Are those social programs, those national health programs on the table? The Prime Minister must be honest with Canadians. What is on the table?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the answer is the same in English and in French. I just gave the answer in English. There are no negotiations on fiscal arrangements or social programs. It was clear in English and it is clear in French.

* * *

[*English*]

THE ECONOMY

Mr. Jim Peterson (Willowdale): Mr. Speaker, for seven budgets the Minister of Finance has promised us that the Canadian economy would be more competitive.

In just two short years, Canada has lost 229,000 or 11 per cent of all our manufacturing jobs. This government is presiding over the deindustrialization of Canada.

Today, 1,300,000 Canadians have no jobs and the minister has promised that another 200,000 Canadians will lose their jobs. Just how far is this government prepared to go in deindustrializing Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend, in his most cataclysmic tones, deplores the fact as we do that 211,000 jobs have been lost during the recession.

In this morning's *Financial Post* a result of a study by the Canada West Foundation, indicates that in the last

recession when my hon. friend was a member of the government, 300,000 jobs were lost in the same sector.

My hon. friend never once rose to protest that fact against the government of which he was a member.

An hon. member: There were lay-offs.

Mr. Mulroney: "There were lay-offs", he says. When you lose your job when the Liberals are in office, it is a lay-off.

Some hon. members: Oh, oh.

Mr. Mulroney: My hon. friend knows full well that the recession is a serious one, that indeed there were 140,000 jobs lost in the last two months in the private sector in Canada, but interest rates have come down some 408 basis points since their high of last spring.

Investment intentions appear to be strong. Confidence is returning to the country as interest rates continue to drop, and the Minister of Finance has laid out a program for growth and economic prosperity which we believe will begin to bite in the middle of this summer. It will bring great advantages to all parts of the country.

Mr. Jim Peterson (Willowdale): Mr. Speaker, if the Prime Minister is saying that the loss of all of these manufacturing jobs is justified by something that happened many years ago, then this is what we are seeing from this government.

You cannot build an economic future for Canada on empty rhetoric.

This was a Prime Minister who promised Canadians jobs, jobs, jobs—but he delivered them to the Americans.

Some hon. members: Hear, hear.

Mr. Peterson: Mr. Speaker, when will this government realize that we will not be able to compete tomorrow unless we invest today in our young Canadians, in science and technology, and in research and development? Will the government commit today to make these critical investments in our future so that the jobs and the hopes of a generation of young Canadians will stop moving south?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is quite right when he talks about the need for greater competitiveness and the availability of better jobs. This is why some of the difficult structural changes that we have introduced, that have met with ferocious opposition from some of the protectionist corners of Canada—like the goods and services tax and the free trade agreement—are bringing about and will restructure the Canadian economy and render it much more competitive, and thereby bring benefits to Canadians.

For example, in the report to which I have referred, prepared by the Canada West Foundation, since the free trade agreement was introduced—and I quote directly from the report this morning— "Canada increased high-tech exports by $4 billion since the deal, while such imports from the United States fell by $600 million."

Some hon. members: Hear, hear.

Mr. Mulroney: "In most sectors, bilateral trade levels were unchanged but Canadians exported more electrical machinery, aerospace, railway rolling stock, scientific professional instruments, special trade transactions, zinc and zinc products, precision metals and stones, et cetera to the United States. This indicates that a structural reform such as the free trade agreement is improving our competitiveness, enhancing our productivity—"

Mr. Peterson: We have lost 229,000 manufacturing jobs.

Mr. Mulroney: —which is still not appropriate, but we are going the right way and we will pick up those job losses as we come out of the recession.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, in the absence of the Minister of the Environment, my question is directed to the Prime Minister. The Minister of the Environment told us that yesterday's announcement on the clean-up of the Great Lakes was in line with his Green Plan. Unfortunately, he was right: it was merely an exercise in public relations. For the clean-up plan to work, it must be carried out in consultation with the municipalities and provinces involved. My question is this: Is this another green balloon? Why did he make his announcement before finalizing the plan or consulting with the provinces and municipalities involved?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I find the hon. member's question incredible. Yesterday, the Minister of the Environment announced a substantial clean-up plan for the Great Lakes, a plan that provides $25 million for the development of a strategy and for setting up a centre to fight pollution. The plan will be implemented with the co-operation of the industry and other levels of government. Therefore, I think the hon. member should rise to show his support for this government.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I want to congratulate the parliamentary secretary. Now I know why we have not had any meetings on C-78. The plan contained no targets. It had no programs.

• (1440)

At 10 o'clock yesterday morning the minister stated unequivocally that the goal of zero discharge, which every environmentalist wants to see and which is crucial if the plan is going to succeed, was absolutely scientifically impossible to attain. Subsequently, after lunch, and after a great deal of pressure on that, he suddenly reversed his position and said that the government's goal was zero discharge.

Will the parliamentary secretary please share with this House the scientific breakthroughs that occurred in those two hours?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, what I can share with this House is the fact that the issue of virtual elimination or zero discharge is far more complex than the hon. member would suggest in his question. I can indicate to the House that this government has a plan in place which includes a provision for zero discharge for eight chemicals which have already been identified. In other words, in the case of mirex and several other chemicals, the manufacturing, the use, the importation and the exportation is not allowed, in short it is zero discharge.

I would also note in the new pulp and paper regulations which are coming into place that there will be the virtual elimination of dioxins and furans, as I think all members of this House would wish.

In the third case, the example in the mining industry, heavy metals such as in liquid effluents like copper and nickel, are being controlled to a level that is sufficient to protect the environment.

This strategy is consistent with the green plan. It is consistent with the kind of feedback that we got from Canadians in the largest consultation process that ever occurred in the history of this country. It is indeed the kind of strategy which will ensure that the environment for our children and our grandchildren will be protected, unlike any kind of policy which that party had in place when it was in power.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, in the absence of the Minister of the Environment, I put my question to the Prime Minister. Yesterday, the Minister of the Environment doled out the next instalment of the green plan slush fund by announcing a $25 million public relations Great Lakes fund.

Canada agreed 13 years ago to a zero discharge of toxics into the Great Lakes. Under Canada's Environmental Protection Act the government has the power to act.

Will the government announce today a federally enforced ban on all toxic substances going into the Great Lakes?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, what I can do is read to the hon. member and to interested members the list of those substances which already are banned for which there is indeed zero discharge: mirex, polybrominated biphenyls, polychlorinated terphenyls, alachlor, leptophos, phosphamidon—there are times like this when I wish I was a chemist rather than an historian—cyhexatin and 2, 3, 4, 5-bis (2-butylene) tetrahydro-2-furfural. Those are all at present under the zero discharge regulations to which the hon. member referred.

Let me also include, Mr. Speaker, a statement from the agreement to which the hon. member refers, which is the Great Lakes Water Quality Agreement of November 1987, in which it states under Article 2, Purposes, Part A: "The discharge of toxic substances and toxic amounts be prohibited and the discharge of any or all persistent toxic substances be virtually eliminated".

That is the same terminology which the minister used yesterday.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a supplementary for the Prime Minister. In December, the green plan promised to almost double funding for energy conservation and alternatives. But last week the energy, mines and resources estimates cut funding for energy efficiency and alternatives for the seventh year in a row.

My question to the Prime Minister is: How does the government plan to restore the promised funding and thus avoid the impression of deceitful opportunism?

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, if you are a socialist in this country, you spend. If you want to deal with the reality, you work in co–operation with the industry, with the provinces and with the federal government. This is what this government is doing.

We are doing our utmost to co–operate and work with all on a future energy policy that will be unique for all Canadians.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, my question is for the Prime Minister.

For the last four years, we have all witnessed rampant sawmill closures, causing thousands and thousands of layoffs across Canada. The Canadian Lumbermen's Association puts the blame for this squarely on the softwood lumber export tax. The Canadian high dollar also serves to aggravate the situation. Lumber exports to the U.S. are practically nil.

Will the Prime Minister, in his meeting with President Bush next week, indicate to him that Canada is planning to cancel the softwood lumber agreement?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, as the hon. gentleman should know if he reads the papers, we have been busy for a number of months in preparing our position so that we can approach the United States in order to discuss and, hopefully, have some action taken in connection with the memorandum of understanding on softwood lumber entered into in 1986. Conditions since then have changed excessively.

Our position is not made any easier, of course, by the fact that the province of Ontario has never taken any replacement measures in connection with that memorandum of understanding, but rather continues to allow a 15 per cent tax to be imposed in connection with lumber exports from Ontario.

We have met with the Government of Ontario, the Government of British Columbia and other governments and we will be pursuing this matter in the coming months. It may well be, at some time, we will be calling on our Prime Minister who, because of his excellent relationship with the United States, I have no doubt will be very helpful in this matter.

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, indeed, I do read the newspapers. In the March 4 edition of a national newspaper, the reporter wrote: "Mr. Crosbie is not hopeful he can persuade Washington that changes are needed."

Will the minister finally realize and acknowledge the dramatic extent of the damage done to the softwood lumber industry and when will he finally stand up to the Americans and cancel the agreement?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I wonder if the hon. member has ever thought about this situation: What would our chances be if we had in power today or in the near future, members made up of his own party who have made their career on anti–Americanism and in trying to aggravate and irritate our next door neighbours? Luckily, he has in power a government which has a chance of success in this matter. There would be no chance if his own party was in power.

* * *

GOVERNMENT SPENDING

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, my question is for the Minister of Finance.

One of the many aspects of the recent budget which has not been explained is the legislated limits on government spending of 3 per cent over the next five years.

Presumably this legislation can be repealed at any time during those five years. Can the minister explain what will prevent the government from simply altering its own legislation in the future? What does the government

seek by these legislative spending limits that it could not equally achieve by its own budgetary measures?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have been able to demonstrate, over the past six and a half years, a spending discipline by holding our spending to a rate of growth of 3.7 per cent.

I think it is important for the Canadian people to have confidence that the spending record can continue and that is why we believe it is important to give Canadians that confidence by legislating the spending limits. In that way, they can be assured we can get our deficit down, we can take the pressure off interest rates and we can help the growth in this economy.

My friend asks what is going to stop another government in the future from changing these legislated limits? What will stop governments from changing these legislative limits is if the Canadian people put a priority on maintaining those limits and indicating clearly to their members of Parliament the importance they attach to that because we have seen from the past that excessive spending has resulted in increased taxes. What we want to do with this law is avoid that in the future.

• (1450)

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister is introducing legislated limits at the very time the United States is giving up such broad measures. It is another part of the budget that has been unsubstantiated by any backup material.

Let me ask this. The minister has said in his budget that he will keep interest rates at an average of 9.5 per cent this year, almost exactly what they are today. This means that Canadian interest rates will continue to be much higher than those in the United States. How then does the minister believe that the Canadian dollar will decline to more realistic levels? How can the minister promise export-led growth when the Canadian dollar will remain at inflated levels?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my friend has talked about the Gramm-Rudman targets in the United States. There is a fundamental difference between the approach that we are taking in Canada and the approach that they took under Gramm-Rudman. In Gramm-Rudman the targeted deficit objectives were based on assumptions of growth and interest rates. Our spending targets are based on precise numbers. So there is a fundamental difference in the discipline that will be applied to government spending.

My hon. friend asks about the interest rate projections. As he pointed out it is 9.5 per cent for this year. We are at about 10 per cent now in the commercial paper interest rate. I believe that we can achieve that 9.5 per cent, as do I believe most other people in the financial markets who have commented on that projection. That will allow us to generate the growth, generate the possibility as well for achieving the 9 per cent interest rates for next year and that will allow a continuation of that growth. It is on that basis that we can see a good recovery starting in the middle of this year.

* * *

HEALTH

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Minister of Finance.

In the recent budget there was a cut in the federal government's share of medical care spending for next year in the amount of $1.1 billion, which is exactly the amount it cost the federal treasury for letting business executives write off their free martini lunches and entertainment.

The minister had a choice. Will he stand up and tell Canadians why he, Michael Scissorhands, chose to keep the executive tax deduction?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have been called a lot of things.

Mr. Mulroney: That is one of the nicer ones.

Mr. Speaker: Perhaps, the hon. minister could answer the question.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I thought you were going to call me Fidel, after the long speech.

In response to the hon. member's question, I have given this response to him on a number of occasions in the past. We have a tax system in Canada that we must maintain in a competitive way with those of other countries, in particular, the United States. This particular element of our tax system is directly comparable to that in the United States. It is done that way to ensure that the people who are generating business in Canada, salesmen who are generating business in Canada, are not going to be put at a disadvantage in relation to their counterparts in the United States, who are also trying to

generate business. They want to create jobs in the United States and we want to create the jobs in Canada.

An hon. member: You could create jobs by spending that $1.1 billion on health care, as well.

An hon. member: Right on.

* * *

SALES TAX REBATES

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Minister of National Revenue, who will be aware of allegations about a tax scam made by CBC Winnipeg to the effect that a little-known 1986 ruling by his department is allowing businesses to keep rebates of overpayments of the federal sales tax instead of passing them on to customers.

People who have come to know about this rule are alleged to have been taking great advantage of it. A 1986 letter by the Minister of Finance, also quoted in the report, said that such rebates would be an unacceptable windfall for these companies if they did not pass on the rebates to their customers.

What is the government policy with respect to these rebates? If the policy is that these companies be allowed to keep such windfalls, what on earth is the rationale for this, and will the same danger be allowed to obtain with respect to overpayment of GST?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, first of all the passing on of the profits is between the business and their clients, but I am delighted to have the opportunity to respond to this question.

As the hon. member knows, the federal manufacturers' sales tax had not one loophole or exemption of this sort but had in fact 22,000 exemptions and loopholes. It is for that reason that this government chose, instead of trying to fix one or two of those loopholes, to eliminate all of the 22,000 and replace them with a fairer tax like the GST.

[*Translation*]

SPICER COMMISSION

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Prime Minister. The Prime Minister, who today is quite content to let Commissioner Spicer squander $25 million in our daycare centres, is the same guy who in 1984 condemned as "scandalous" the abuse at the Canadian Unity Information Office. He said a Tory would never do that. Today, in 1991, the same Prime Minister, with the approval of the President of the Treasury Board and the Fred Flintstone of Canadian politics, the Minister of Industry, Science and Technology, is busy setting up the same Canadian Unity Information Office he himself condemned and abolished in 1984. I want to ask the Prime Minister: What is the difference between a red scandal and a blue scandal?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am surprised at the hon. member's comments, because he started off by saying the Spicer Commission squandered $25 million in our daycare centres. I think you will agree, Mr. Speaker, that my hon. friend has a problem. Even when he has an excellent point to make, he exaggerates his case to the extent that no one can believe or understand him. Because $25 million in our daycare centres is entirely false. His statement that there is another commission on Canadian unity is false as well. And add to this his negative remarks about the Minister of Industry, Science and Technology, a real Quebecer, whose courage and dignity are admirable a truly great Canadian!

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member for Shefford, on a very short supplementary.

Hon. Jean Lapierre (Shefford): Mr. Speaker, if his big proud Canadian says he is right, it is probably because he is counting on the impact of advertising and propaganda. Consequently, I want to ask the Prime Minister this: Will the Prime Minister say before this House, since his party recognizes Quebec's right to self-determination, whether he is prepared to let his government abide by Quebec's referendum legislation?

Mr. Blais: Where were you in 1980?

Mr. Lapierre: Mr. Speaker, the minister there disturbed the Prime Minister—

Mr. Speaker: I think the hon. member asked his question. The Prime Minister has the floor.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I had trouble following the hon. member's agitated train of thought. If the hon. member is asking whether the government and the Parliament of Canada will take appropriate action with respect to any attack on or threat to Canada's unity, the answer is of course yes. We are all Canadian citizens. Your yourself are, fortunately for your sake. You enjoy the legacy of an extraordinary country. You are a Canadian Citizen. Are we going to defend the integrity and unity of Canada? This is one of the most spectacular countries in the world, and anyone with any sense at all would see it as his duty and privilege to defend such a magnificent country!

Some hon. members: Hear, hear.

• (1500)

[*English*]

Mr. Speaker: The hon. member for Winnipeg South Centre on a short question.

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CORE AREA INITIATIVE

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Western Diversification.

With the announcement this week that the core area initiative, a very vital economic development agreement for the province of Manitoba, will only be extended for one year without any further funding, it appears the government has given in to the troglodytes in its caucus who have been calling for the extermination—

Mr. Speaker: I would say to the hon. member that given the time I am doing the best I can. I asked for a short question.

Mr. Axworthy (Winnipeg South Centre): Will the minister say today that he is prepared to reject this kind of negativism and have the federal government once again participate in this very important development?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, the hon. member uses some pretty strong language when he talks about extermination. Any of the discussions we have been holding with the various parties have been very rational, very lucid and very helpful.

I want to suggest to the hon. member that he stop using such extreme language, because we are in consultation, as I said, with the parties involved, trying to work out something that makes sense from all points of view to continue supporting that area of Winnipeg in a manner that makes sense for future needs, and that he stay away from this extreme language. It doesn't help any.

Mr. Speaker: The hon. member for Winnipeg St. James on a straight question, very short.

* * *

AIR CANADA

Mr. John Harvard (Winnipeg St. James): My question is for the Minister of Transport.

Air Canada confirmed with my office today that 64 non-unionized jobs will be wiped out in Winnipeg. Some 45 have already gone; 19 more will go next year.

I want to remind the minister of the commitment that was made by the government two years ago with respect to privatization of Air Canada.

Some hon. members: Question, question.

Mr. Speaker: I ask the hon. member to put his question.

Mr. Harvard: The question is: Why won't the government stand by its commitments?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, Air Canada is now a private corporation and has to operate in the accordance with the revenues it gets in and the expenditures it must make.

Before it was privatized it had the benefit of being a Crown corporation. Taxpayers are no longer supporting the company. It is expected to make a profit and therefore, as my hon. friend knows, has to operate on that basis.

POINT OF ORDER

Mr. David Dingwall (Cape Breton—East Richmond): I rise on a point of order, Mr. Speaker. I am wondering if the Chair could perhaps be somewhat helpful.

Has the Chair contemplated, for the foreseeable future, that it might provide some guidelines with regard to Standing Order 31, and particularly Question Period *vis-à-vis* the number of questions which have been allotted to the Official Opposition, the New Democratic Party, and of course the Independent members in this House, as well as the timing of the answers which are being given by ministers opposite?

I do not wish to belabour the point in terms of a lengthy debate today, but I am wondering if you would perhaps reflect upon that suggestion and either we could pursue it on the floor of the House of Commons with all members participating or, again, we might have an opportunity to discuss this in detail with the respective House leaders.

There is some frustration by members, which I am sure you can appreciate, and I think it would be important to have this matter very clear so that all will understand and be able to abide by your rulings.

Mr. Speaker: In response to the hon. member from Cape Breton—East Richmond, of course I am prepared to discuss these matters at any time with members of the House.

The hon. member raises the suggestion that perhaps some discussions could take place among all members of the House, and I of course would be very pleased to attempt to facilitate that.

I have to say to hon. members that there is only 45 minutes in the Question Period. There is more competition for questions than perhaps there ever has been in the history of the country.

It is not an easy task to deal with these matters every day as evenly as one would like. One hopes that over a number of days they work as evenly as is fair.

However, I certainly will accept the hon. member's comments. I would hope that he would begin some discussions immediately with some of his counterparts, and then of course I would be very pleased to meet with members.

ROUTINE PROCEEDINGS

[*English*]

EXPORTS OF MILITARY GOODS

TABLING OF ANNUAL REPORT

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I have the honour to table, in both official languages, the first annual report on Exports of Military Goods from Canada for the year 1990.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 49 petitions.

In passing, and following up on the member from Cape Breton, I would be only too happy to commend the British precedent to the House for its consideration in the context which was raised by the member.

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

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PRIVILEGES AND ELECTIONS

24TH REPORT OF STANDING COMMITTEE

Mr. Chuck Cook (North Vancouver): Mr. Speaker, I have the honour to present, in both official languages, the 24th report of the Standing Committee on Privileges and Elections in relation to the November 6, 1990 order of reference from the House relating to the entire matter of the demonstration held in the public gallery on Wednesday, October 17, 1990, which is perhaps better known as the macaroni affair.

The report does not recommend that any specific action be taken with respect to the participants in this

incident. However, the committee does recommend that any demonstrations or disturbances that take place in the galleries in the future should be taken very seriously so that demonstrators understand there are sanctions that will be applied and they must be sure they really feel strongly if they wish to demonstrate.

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CORPORATIONS AND LABOUR UNIONS RETURNS ACT

MEASURE TO AMEND

Mr. John R. Rodriguez (Nickel Belt) moved for leave to introduce Bill C–349, an act to amend the Corporations and Labour Unions Returns Act (salaries).

He said: Mr. Speaker, the purpose of this bill is so that those corporations that report under the Corporations and Labour Unions Returns Act would in fact report, and such report would be public to Canadians for all to see what are the salaries paid to its officers.

At the present time, one has to go into the United States of America to get that information.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

PETITIONS

VIA RAIL

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure to rise under Standing Order 36 to present a petition with respect to the cutbacks in VIA Rail service.

The petitioners in this particular case state that the rail services carried on by VIA Rail are an essential means of transportation for many Canadians and that the cuts the government has made in the subsidy to VIA Rail will result in serious reduction in rail passenger service in Canada.

Among other things, they are asking Parliament to maintain VIA Rail, Canada's present national network; to upgrade VIA Rail with new equipment; and to give VIA Rail a sufficient budget to maintain its national mandate for passenger service.

• (1510)

SUDBURY TAXATION DATA CENTRE

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I have the responsibility and the privilege to present a petition under Standing Order 36.

This petition is signed by 600 employees of the Sudbury Taxation Data Centre. These employees object to the fee for parking at the Taxation Data Centre.

In their petition, they point out that many of the employees live outside the city of Sudbury, that there is no public transportation to bring them into the city, and that they have to use their own cars.

The petitioners point to the lack of any day care facilities at the Taxation Data Centre. They also point out that the practice in the immediate area of private sector employers is not to charge for parking.

They therefore ask Parliament to instruct Treasury Board to exempt the Sudbury Taxation Data Centre from its paid to park policy.

COMMEMORATIVE STAMP

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, I have the honour to table petitions from petitioners from Brampton, Mississauga, and the Toronto region.

The petitioners believe that Marie Sklodowska Curie's discovery of radium, being twice awarded the Nobel Prize and being the first woman to win a place in the history of science, deserves to be recognized by Canada.

We further believe Marie Sklodowska Curie, a great woman, must be honoured for her scientific contribution to humanity and that the gift of discovery of radium to heal the sick of the world deserves to be recognized by Canada by issuing a commemorative stamp on the occasion of the 125th anniversary of her birth, November 7, 1992.

FOOD AND DRUG REGULATIONS

Mr. René Soetens (Ontario): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present two petitions today.

The first is from quite a number of constituents in and around the greater Toronto area. They are concerned that there are many citizens who are affected by various

food allergies. They also cite that restaurants and food packages are not required to disclose the contents within food.

The petitioners therefore call upon Parliament to enact legislation amending food and drug regulations in order to require manufacturers to list specific food ingredients and additives used in prepackaged foods in place of general classification now permitted. Further, require restaurants and food retailers to provide, on demand to customers a list of all food ingredients and additives in prepared food.

SENATE OF CANADA

Mr. René Soetens (Ontario): Mr. Speaker, my second petition is again from a number of constituents.

In this case the petition concerns the Senate of Canada and it reads that the Senate now performs no useful function, is completely partisan and has proven after many efforts to be impossible to reform.

The undersigned request that Parliament abolish the Senate. I submit these two petitions.

[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I wish to table, pursuant to Standing Order 36, a petition from residents of Rivière-Heva, Amos, Malartic, Val-d'Or, all in Abitibi, who insist that the Government of Canada drop its plans for the development of Parliament Hill, which would cost $68 million and involve building a parking garage and shopping centre under the Parliament Buildings, and that the government acknowledge the need for preserving the natural environment and historical character of the Parliament Buildings and Parliament Hill in Ottawa.

[*English*]

VIA RAIL

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, pursuant to Standing Order 36, the attached petition is certified correct as to form and content by the clerk of petitions.

It is signed by approximately 600 residents of the communities of Kenora, Upsala, Thunder Bay, Kaministikwia and Keewatin, Ontario, all of which lost VIA Rail services well over a year ago.

The petitioners humbly pray and call upon Parliament to support the NDP plan to restore VIA Rail services cut on January 15, 1990; to maintain and, where appropriate, upgrade remote services on which many Canadians rely; to provide a legislative mandate for VIA Rail; and to make available to VIA the resources which it needs to become a modern passenger rail system in a class with those throughout the rest of the western world.

I might add that this campaign was endorsed resoundingly by 1,800 delegates to the Ontario NDP Convention this past weekend.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is a delight to present a petition on behalf of a number of constituents from Kamloops, pursuant to Standing Order 36.

In their very optimistic way they point out that in spite of the fact that the GST is a reality they feel it is an inappropriate tax and a very unfair tax, and they are asking the government to reconsider it.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Calgary West): Mr. Speaker, Question No. 436 will be answered today.

[*Text*]

DEDICATED TELEPHONE LINES

Question No. 436—**Mr. Murphy:**

Are there any ministers who have dedicated telephone lines to (a) persons (b) organizations outside the government and, if so, (i) which ministers (ii) to which persons or organizations (iii) for each minister, what is the cost?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): No.

[*English*]

The Acting Speaker (Mr. Paproski): The question as enumerated by the government Whip has been answered.

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

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

Some hon. members: Agreed.

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MOTIONS FOR PAPERS

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I would ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Acting Speaker (Mr. Paproski): Shall all Notices of Motions for the Production of Papers stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1991-92

MEASURE TO ENACT

The House resumed from Tuesday, March 5, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-97, an act to provide borrowing authority, be read the second time and referred to Standing Committee on Finance.

The Acting Speaker (Mr. Paproski): When we ended debate last evening, the hon. member for Eglinton—Lawrence had finished his 10-minute speech, plus his five-minute questions and comment period.

I will now go to the hon. member for Thunder Bay—Nipigon.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Thank you, Mr. Speaker, for allowing me this opportunity to make the comments on not only the budget that was presented last week in this House, but also the expenditures that are before us.

I spent the weekend in the riding of Thunder Bay—Nipigon conversing with many groups concerned about the progress and the direction that this country is facing. Some of the groups that I met with—and they were diverse—were from the ethnic communities, particularly the Lithuanians who were celebrating a particular event of freedom on Sunday. I spoke with some university students who were concerned about the direction that this country is taking. I also spoke at one of the municipal conferences with a very important segment of our community today, that is, the mayors and reeves representing all of northern Ontario.

I said to those mayors and reeves that they may be the politicians who are most vulnerable in this next period of time. What we are seeing in Canada is a transfer of responsibility for all the obligations that most Canadians have come to expect. We are seeing this government transferring its responsibility from the federal government to the provincial governments and, I am sure, in turn to the reeves and mayors of the municipalities not only in northern Ontario, but throughout this country.

The crux of this is going to be that the municipal politicians, who deserve a great deal of respect for the work they do within their individual communities, are going to be the ones who are faced with the very hard decisions which I suggest this government should have taken. It should have taken the onus of responsibility off those municipal councillors.

What I heard from all of these different sources with respect to how the affairs of this country are being administered was: How can we possibly keep spending more than we take in? Other comments were: How can we run this government by continuing to go into a deficit, into a deficit, into a deficit, without ever having an accounting and without ever having to say to the Canadian people that it is time to catch up?

Other words I heard were: How can we continue to mortgage, not only first mortgage but second and third mortgage, the future of this country to our children and to our grandchildren, when there are absolutely no assets left in this country to mortgage at this time?

The fact of the matter is simply this: since 1984, since this government took office, the debt in this country was $140 billion. That is nothing to be proud of, but it was $140 billion and it was in serviceable and manageable proportions.

We were told and the Canadian people were told that this government which was elected was going to be able to cope not only with the debt, to bring the debt under control and to reduce the debt, but it was going to take into account the annual deficit. At that time it was around $34 billion. It was going to take the annual

deficit, reduce it accordingly, and get the financial affairs of this country under some kind of control.

• (1520)

Let us just look and see what happened in the last seven years. The debt is no longer $140 billion, it is now just a little over $400 billion, an increase of $260 billion in seven years. To service that debt in 1984 took about 12 per cent of the federal budget. Now it will be demanding at least 40 per cent of all the money taken in by the federal government.

We were also told in 1984 and again in 1988 that we have to bring our deficit under some kind of control. As we all know, the deficit in those years had been running at approximately $30 billion. What is the budget and what is the deficit that is presented to this House of Commons in the last period?

The deficit has not been reduced one iota. If anything, it has increased, in spite of the fact that this country has experienced seven years of the greatest industrial economic growth that any country in the world has seen. We have increased our taxes at least 17 times. We have almost doubled the amount of revenue brought into the federal treasury and yet we still end up with a deficit of over $30 billion. That is not responsible government and that is not fiscal management.

I am sure that the people of Canada will respond to that at the appropriate time.

Let us talk about some of the details of the budget. The word that I think is so important and the word that really hurts is that the government has brought this country into a recession and the correlative function of a recession, and that is the corresponding unemployment that all Canadians will be experiencing.

This government says freely that it is willing to live with unemployment figures in excess of 10 per cent. This is not acceptable. What it has failed to do, and the operative word which I think is lacking in this budget, is a word that we have heard so much about in the last little while on the international scene and that is linkage. What this government fails to do is link that employment statistic with not how are we going to treat those who are unemployed because of the recession that it has created, but how we are going to correct the problem of unemployment in this country.

The government has failed to link the means to create jobs in this country. I mean simply this. Since 1989, every job that was created in Canada was created by a small business venture. In 1990, that fact presented itself again and, in 1990, every job that was created in this country was created by a small business venture.

What has this government done with respect to small business and the linkage that I talked about? It has not helped small business in this budget. It has done nothing to assist the small businessman so that he could go out in the marketplace and create those jobs that are so vital to the future of this country.

What this government has failed to do is link the problem of unemployment with the problem of how to eliminate that 10 per cent or 11 per cent of unemployment, that linkage that is so necessary. Not only has the government failed to address the linkage, but it has also added to the problem of the small businessman by adding to his expenses, by adding another 24 per cent to his costs of operation, so that it is not only unfair, but it is really and truly an added expense the small businessman can no longer tolerate.

It is unconscionable how the government has avoided the responsibility of helping small business in this country.

I would like to enlarge a bit on larger businesses and some facts which I think are very important and which this government absolutely fails to realize. I hope in every response that I am able to give in this House, I will be able to bring the strongest message I can to the Canadian people and to this government. They are facts which I think we should always bear in mind, and it is perhaps one of Canada's best kept secrets, that forestry is the largest single industry in Canada. It is larger than the automobile and the petroleum sectors combined.

Forestry provides employment to 8 per cent of our Canadian labour force. It supports 900,000 forestry manufacturing and service jobs. One out of every seven manufacturing dollars in Canada is related directly to the forestry industry. It contributes more than $17 billion to Canada's net trade balance, which exceeds that trade balance created by agriculture, fisheries and mining combined.

Forestry accounts for close to $2.5 billion in trade within our country alone. Despite these impressive figures, they do not for one minute reflect what this

government thinks about the forestry industry. It has absolutely forgotten that the forestry industry exists.

Proof of that point is the 15 per cent export tax which is killing, not only the industries I represent, but industries my friends here represent in the softwood lumber industry. It is also starting to have an effect on those industries in British Columbia, in Alberta and our friends in the province of Quebec.

A reduction or elimination of the 15 per cent export tax, if this government was serious about helping Canadians, would not cost the taxpayers of the country one cent to eliminate. The government could eliminate that 15 per cent export tax simply by negotiating its way out of it with our friends in the United States and saying that it is no longer going to be operative.

The memorandum of understanding would be eliminated and section 9 would be invoked 30 days from now. It would give the forestry industry, at least, the opportunity to compete, not only within Canada, but in the United States on an equal playing field so that our forestry, our sawmills and all of those industries that are so important in this country at least have the fair opportunity to compete and be part of this economy.

I appreciate the opportunity of speaking on certain issues that this budget fails to address. I think it is important to address some of the issues that the budget did not address as issues that it did address.

Mr. Rex Crawford (Kent): Mr. Speaker, I would like to commend the hon. member on a very sincere and factual speech and ask him a question pertaining to welfare in his riding.

He mentioned that he had been meeting and talking with the mayors and reeves. Being a past reeve and very interested in what is happening to different areas concerning welfare, I was wondering if he had any figures. At the present time in my riding of Kent, the county will have to raise the taxes 24 per cent to cover the welfare payments.

I was wondering if the hon. member could give me any figures from his riding of the situation since the transfers.

Mr. Comuzzi: I thank my colleague from Kent for asking that question. I will say at the outset that I do not have the actual figures as to the increase in the welfare payments that are necessary for all the communities in this country.

Having listened at that particular session in northern Ontario to all of the mayors and the reeves, they were absolutely and totally incensed that senior levels of government, both provincial and federal, would insist and persist in passing legislation that imposed the responsibility for payment on the municipality.

I have no problems with the social welfare system. But you cannot dictate the social welfare system in this country unless you are willing to contribute to its payment. To say how you are going to administer the welfare payment, hospitalization or aid to education or aid to post-secondary education without contributing any funds toward it is not being a responsible government.

I appreciate my friend's question. What I heard was that we can no longer legislate responsibility and leave the responsibility for paying for these programs to the municipality, to the real property owner, to the lowest level of government in this country in order to look after the needs we say are necessary. In my best judgment we have to have the responsibility and the integrity to say no, we cannot afford that program, and it should be done at this level of the government.

• (1530)

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate, the hon. member for Delta. Is the hon. member for Delta going to take the 20 minutes plus 10?

Mr. Stan Wilbee (Delta): Yes, Sir. Mr. Speaker, I certainly enjoyed listening to my colleague across the aisle as he was telling us his views. Yet I am surprised that he can come up with these figures when you consider the source of this debt we are dealing with today. I must confess I am unhappy about standing up and talking about borrowing money. It is contrary to anything that I believe in and I believe that most Canadians feel that way; that we have to borrow money in order to pay our bills in this country that is so rich in resources, rich in manpower. We have so many things going for us to see the situation that we are in.

Basically what this bill is doing is asking permission to borrow for this year $26.4 billion for the 1991-1992 fiscal year. This amount is equal to the borrowing requirements of $23.4 billion comprised of financial requirements estimated for 1991-1992 of $21.6 billion in

exchange fund account earnings of $1.8 billion and a $3 billion non-lapsing reserve to cover contingencies.

This is essentially the same type of thing that we have been borrowing for the last three or four years.

The previous speaker talked about the size of the debt when our government took over. We need to recognize that at the present time 80 per cent of the present debt is due to compounded interest on the debt which we acquired from the previous government.

My comments today are going to be primarily concerned with the government's plan to control that further debt, to control the deficit, and to look at the long-term financial interests of our country.

Since coming to office in 1984 this government has indeed waged a war against the deficit and attempted to restore the health of Canada's finances. Yet, I have not heard at any time any assistance offered by the opposition to cut our spending. Discussion of increasing taxes was immediately said to be wrong, that we could not do it. Any change in our assistance to business such as free trade was decried as something that was disastrous to the country.

I think that this government has been alone in the country in itself in assuming a responsible position. Many people know that last fall I had some problems with my own party and one of the major reasons was that I felt that we were not being tough enough in our financial situation.

When this budget came out I was delighted to see that we were not only dealing with the present situation but also that we were looking forward to the future. I have children, I have grandchildren, and I certainly hope that I will see my great-grandchildren, but I am concerned—and one of the reasons I went into politics was because of the financial situation that our country was facing. The best thing that any government in Canada can do at the present time is stop the debt from dragging down the economy. That means dealing with our annual deficit and getting our spending under control so that we are paying for what we are buying.

Any of our deficit reductions, any of our programs that will balance our budget, will certainly have my support.

I think all Canadians recognize the seriousness of the debt. They recognize that each one of us has to play our own part in solving this problem. It is not something which government can do alone. I think that Canadians want to know that government is doing its part to control expenditures and that each Canadian is getting a fair shake. What the government has done in this budget is to present a program in which everyone is carrying their fair share. In the 1989 budget, I believe the government presented a medium term fiscal plan. What I think we have done this year in the 1990-91 budget is start to look at the long term. I think we are reaffirming the things that we started back in 1984.

If we do have a fault, it is that we did not do more sooner. I would certainly have liked to have seen us take a better grip on that deficit so that our debt today would not be what it is at the present time.

We recognize too at the present time there are people in Canada who are in trouble. We recognize that our western farmers need aid. We recognize also that because of the temporary recession that those who are unemployed need assistance at this time, so the government has seen fit to increase expenditures in these areas of the budget. Also, the disabled are going to receive more benefits. There are going to be tax breaks for employers who make it easier for the disabled to work and to take part in Canadian life.

This country has been living beyond its means for the last two decades. We have been spending more than we have been taking in. In 1984 when this government took over the government was spending $1.33 for every $1 that it was taking in in taxes. In other words, every year we were spending 33 cents more on each $1. We recognize in our own budgets at home that there was no way that this could carry on and we are now reaping the adverse effects of that.

My friends opposite say: "You should have cut the deficit sooner". Yet we recognize that while they were in power that the size of the civil service was growing at 12 to 15 per cent a year. The budgets were growing at the same rate. It takes time to turn that around.

We are all aware of a great ocean liner or an air ship that you cannot just all of a sudden reverse these things and expect them to go in the opposite direction. I think that this is also true of government where programs and initiatives have been introduced, that you cannot just abruptly stop them without dislocating the economy. What we have been doing and we will continue to do, and I think at an even greater rate, is to solve these problems to turn the economy around and bring our country back to prosperity.

My friend across the way mentioned that the debt was $400 billion now. The fact is that it is not quite that bad but at some time during the year indeed it is going to reach the level of $400 billion or interpreted in another way, $15,000 for every man, woman and child in Canada. The interest alone on this debt, $43 billion, is unavailable for good programs and services in Canada. It is more than we spend on old age security, unemployment insurance and family allowances combined. We recognize what a crippling effect this has on the welfare of our country.

In this budget also the government is asking Canadians to share the burden. We as politicians are being asked. The Prime Minister's budget is being frozen. Cabinet ministers' budgets are being frozen. Senior civil servants are being reduced in number. This is not a particular group of Canadians that is being singled out but indeed all Canadians. As we mentioned earlier, there are exceptions. Those in need, those in times of need have been exempted from this program and we commend the government for that very human attitude.

If the government does not take these steps of fiscal responsibility of limiting expenditures, of limiting transfers to provinces where they can spend federal funds without any responsibility, if we do not do these things then that deficit is going to increase more and more as it has in the past.

We recognize that this government has reduced the deficit by about $10 billion. This year the deficit will be $30.5 billion. They say that this was far above the predictions of finance minister. He could not always predict the problems that western farmers have had, the $2.5 billion which was required to assist them. We just could not see those western farmers left alone. We could not foresee the funds that were required to assist our troops in the Middle East and to assist our allies and to make sure that Canada took its fair share of that responsibility. Also, the unemployment insurance fund has required more funding than we had expected.

• (1540)

All of these problems have helped to increase that deficit which all of us are sorry about. We recognize that in the next year it will be similar, but after that we will soon start to see the deficit being reduced. This is what we are looking for, so that in the following year the deficit will be down to $25 billion and in 1994–95, in that area, the government will no longer have to bring forward these borrowing bills. We will be able to pay our way and that will be a day of great rejoicing for Canadians everywhere. I am sure they will recognize responsible government when they see it.

One significant thing the government has done is to control the growth in program spending which will be held to an average of no more than 3 per cent annually in the years after 1991–92, owing to an extension of the two–year expenditure control plan.

Also, the government will continue to limit the transfers of payments to provinces, the wealthy provinces, whereas those in need, the poorer provinces, will continue to receive the present amounts.

As I mentioned earlier, after 1993–94, the federal government will be able to stay out of the financial markets. This will allow interest rates in this country to come down. There will be less competition for the funds available and our own companies and industry will be able to borrow at cheaper rates. They will be able to produce more jobs, more manufactured goods, more services to supply Canadians.

I believe that this government does have a very good plan for economic recovery. I think we are going to continue on with that, to control spending that will help put government finances firmly on a course to a balanced budget.

Also in this present 1991 budget, there are certain other things this government has done. For example, it is going to change the way it manages expenditures. Very shortly the government will be releasing legislation which will impose mandatory limits on annual program spending for the next five years.

The other night one of my colleagues asked the question: What type of legislation is this going to be? I told him at that time that I do not know just what that legislation would be, but it will be constitutional because the budget program spending track will indeed be enforced by law. Flexibility will be confined to a very limited set of contingencies set out in the legislation. It

will not preclude new programs to meet new needs. In other words, if something comes up unexpectedly, the legislation will certainly allow the government to meet these needs.

The government is going to have to fund these new programs, but within a total legislated budget. In other words, if we acquire a new program, something else will have to be changed or altered to deal with that.

The other nice thing about this budget that I like and has to do with our deficit is the fact that any revenues from the GST above those projected will make a contribution to deficit reduction rather than provide the leeway for an expansion in discretionary government spending. During the GST debate we heard that the GST is nothing but a cash cow and after another election it will be raised 1 or 2 per cent. This legislation is designed to ensure Canadians that any revenue that comes in from the GST is going to go directly to debt reduction.

Many, many people, many businessmen, many senior citizens, many people on the street said to me: "If we were assured, if you could guarantee that the GST will not be used for further programs and frivolous giveaways, then we will accept and we will be happy to contribute to it".

One of the very positive things in this budget is the concept that any proceeds from the GST will be used for this purpose as well as the proceeds from privatization.

We hope that this program continues so that any funding from these sources will also be used to pay the deficit and the debt.

Also, I have been surprised at the number of people who have come forward with individual cheques and cheques from businesses and said: "We want to contribute to the reduction of the debt." So, this is a possibility where citizens themselves can take those funds and help to reduce Canada's debt.

First of all, of course, these funds would be used to service the debt. It would be nice if we could pay off the interest, but that is not the way finances work. We will service the debt and then as the income grows and as the deficit reduces, we will be able to reduce the debt *per se*.

In the combination of this program with the proposed annual spending limits, this fund provides assurance that all revenues from the GST will be used to service and reduce the debt and not to fund new program spending. As I say, the people in my riding have said that this is the type of program that they want.

Another factor that was brought out in this budget which shows the clear goal of the government at this time is to set a very realistic limit on inflation.

The Minister of Finance together with the Governor of the Bank of Canada have set the goal of a 2 per cent inflation rate by 1995. This is certainly a very commendable and achievable goal.

In many years during my medical practice, I have lived and worked with older people. Many people had retired with what they thought was a perfectly adequate pension. It was not long before they were finding that they were no longer able to meet their needs.

As a matter of fact, just last night I was talking to a former patient who had phoned. She was concerned about the effects of the GST on her income. She got a rebate of $72 quarterly, so we know what income level she was in. Her furnace had gone on the hummer, and the washing machine and the fridge had problems. She had had to get these repaired, and the GST on top of the service bill was distressing her a great deal.

As we talked, we talked about her municipal taxes. She said that when she moved into the particular home, her taxes were $1,300. At the present time, they were $3,500. We talked about the price of groceries and the price of everything. She began to realize that it was not the GST that was hurting her, but it was the total cost of living.

In other words, the inflation rate, which had been only 4 or 5 per cent in the past, had been increased by the previous administration up to 20 per cent at times. Was it 15 per cent?

Even 5 or 6 per cent for people on fixed incomes is a disaster. I think this goal of the finance minister and the Governor of the Bank of Canada of 2 per cent is highly commendable. It allows businesses and individuals to

plan for the future. I think that that is critical in this very unstable world in which we live.

I believe that we, as Canadians, can certainly look forward to that.

This budget is a plan for economic recovery. I believe that the government is taking the action to establish fiscal responsibility and to strengthen confidence in Canada's future. I think that is something which we all need to know.

By reducing the deficit and controlling the public debt, the plan will help to set the stage for improved economic performance and increasing prosperity. It is something that we can pass on to our children in a country in which they can live, grow and prosper.

We can look forward in the hope that within a few years this borrowing authority such as we have to ask for today will no longer be required, or perhaps be substantially smaller than it is in Bill C-79.

I believe that this is just a small indication of the very positive direction being taken by this government and the benefits of the economy in the budget presented on February 26.

• (1550)

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, after listening to the hon. member's debate on the merits of this budget and the merits of this bill, I wondered whether in fact he had listened to all of the other interventions by other members. One of us last night indicated that perhaps what we needed was a shuttle to go back to outer space and bring the finance minister down to earth because the situation is not nearly as he depicts it.

Quite frankly, we have given indications in interventions over the course of the day, and in the course of the debate over the last couple of days, that the circumstances that the Minister of Finance is describing may be true, but it is equally true that over the course of the last six years, under the administration of both that finance minister and that government, what we have had is an increase in personal income taxes to the tune of 9.03 per cent. We have also had a decrease of some 34 per cent in revenues raised from corporations.

No one on this side of the House is suggesting that that was a problem. What is a problem is the fact that the finance minister is unwilling to acknowledge that perhaps that kind of largess contributed in any way to the competitiveness of our manufacturers, our corporate sector. Clearly, that has not been the case, because our corporate sector, if we take a look at the bankruptcies and the manufacturers that are moving down south as an indication, is clearly not as competitive as we would want it.

What do we have for that 34 per cent reduction in taxes in the corporate sector? What do we have in terms of a government strategy to make our corporations much more competitive? What do we have in return from the government with respect to making our manufacturers much more competitive on the international trade side?

As a bit of a digression, I remind the hon. member that what has happened over the course of the last six years, under the able administration of this government, is that there has been a 60 per cent reduction in balance of payments and international trade. If in fact Canadians have been asked—and they have been asked—and they have been willingly contributing to the government revenues in order to decrease the deficit and the public debt, then we have a right to ask the hon. member and, through him, the finance minister just how they have been managing our moneys.

I remind him that the interest payments on the public debt have increased by only 6.09 per cent over the course of the last six years. That is a grand total, in absolute dollars, of just over $16 billion. But from increased taxation, both from direct and indirect taxes, there has been a net windfall of some $37 billion.

Canadians have a right to ask: What have you done with that money? How can you, with unmitigated gall, come back before this House and ask us once again to contribute more in taxation and to cut back on programs that are vital to the structure of this country all, always, in the name of saying that we must reduce the deficit and the debt? What have you done with the money that you have taken from us in the last six years? And how can you expect us to believe that you are going to do anything worth while with it now?

Mr. Wilbee: The short answer to the last part of the question, Mr. Speaker, is that we are paying the debts that they left behind them when they left office in 1984.

Mr. Simmons: Its not the honest answer, though.

Mr. Wilbee: My mind goes back about six months when I asked the hon. member a question after he had made a similar speech. I asked him to give me a specific way in which his party had helped to reduce the deficit, one measure that they had supported to reduce the deficit, or one tax change which they had supported in any way.

He never did answer the question, in spite of two attempts at pinning him down.

He asked the question about the reduction in corporation taxes. I think if he talks to any of his friends in business, if he talks to any businessmen, he will very quickly learn that businessmen and businesses are paying more taxes than they ever have before. This is one of the real problems that Canadian businesses have, namely, competing with those across the line where they have more beneficial tax structures. Rather than us giving away something and the poor Canadians having to fill in, we hear the opposite side of the story, that by closing the loopholes such as automobiles and cutting down on the luncheon expenses that we heard about earlier, and this type of thing, that indeed these people are spending more and more money in taxes.

If companies are going out of business, it means they are not making any money, and if a business is not profitable it is going to go out, and you cannot tax a company that is going out of business. Therefore, the important thing for Canada is to provide an environment that will encourage business, that will encourage investment, that will encourage the production of jobs which we need.

Somebody said earlier that 90 per cent of the jobs in Canada are from small business. They talk about one or two of the large businesses and the critical thing to me, for Canada's future and prosperity is that small businessman. These are the ones that are going to benefit from the lower interest rates that this budget is going to produce. Canadian business needs to have at the present time the ability to forecast, the ability to predict what next year's needs are going to be, and the ability to have a stable labour force.

It is true that we have increased income taxes, but again, as I say, we had to pay bills, and we still have a deficit in spite of those increased taxes. Therefore, the important thing is to stimulate, to broaden that tax base so that there are more people who are contributing to the economy. Rather than expecting just a few people and a few businesses to pay the whole shot for the rest of the country, we all have to take our part.

Mr. George Proud (Hillsborough): Mr. Speaker, I rise today to participate in this debate on Bill C-97. I also want to express some thoughts and concerns that I have on this government's budget.

I believe that Canadians are increasingly worried about the outlook for their future standard of living. This government's budget has not tackled the problems regarding the finances of this country. The budget is a hollow document. Deficit reduction methods used by the government have been, and continue to be, failures.

The economy is in a recession. The government's deficits and debt levels have ballooned so large that they are growing out of control. The Minister of Finance in this budget, just like his last budget, is continuing on course in passing the buck to the provinces. The federal government has simply transferred the federal fiscal problem to smaller governments. The freeze on the Established Programs Financing will substantially reduced funds available to the provinces and by freezing these transfers to the provinces, the government is most definitely destroying Canada's health care and post-secondary educational systems.

Provinces cannot pay for these without federal support. The cumulative effects of the cuts in the EPF transfers to the provinces is estimated at $28.3 billion by 1995-96. Cutbacks in resources of this magnitude are unprecedented in the history of federal-provincial fiscal relations.

Let me be clear. The loss of federal support to the provinces and the municipalities is going to force them either to increase taxes or cut services. I feel strongly that the credibility of the finance minister's plans to bring the federal finances into a balanced situation, continues to be an annual failure.

• (1600)

I want to speak for a moment in my critic's role. The estimates for the Department of Veterans Affairs start with a 29 per cent increase in departmental administration, an unbelievable $8.94 million. Following this healthy increase in administration come cuts in transfer payments to the veterans affairs programs. Grants to health care treatments and related allowances suffered a 28 per cent reduction and economic support programs

were reduced as well. War veterans allowances and civilian war allowances were reduced by 12 per cent.

We must be aware that a freeze should still allow for the annual inflation rate, but instead specific programs were denied this necessary increase and will suffer. Some of these programs are: assistance in accordance with provisions of the Assist and Fund Regulations, the Army Benevolent Fund, the Royal Canadian Legion, Canadian Veterans Association—United Kingdom, Education Assistance to Children of War Dead, University and Vocational Training, Veterans Insurance, and Management of Property Contracts.

Why do these programs not have the standard 5.6 per cent inflation increase?

While veterans' programs are being cut, the departmental administration is on the defensive. The government, in fact, has effectively declared war on its own employees. It has started the scare tactics of labour unrest as each 1 per cent increase in wage settlements could lead to a loss of 2000 jobs.

The government has forced Prince Edward Islanders and other Canadians to fight to maintain a standard of living during this recession. The effects of contracting out and privatizing have eliminated and continue to eliminate federal government positions in the country.

Allow me to provide a clear picture of what is happening in my constituency. The loss of purchasing power due to wage controls will not only add to the unemployment rate of 16 per cent, but as Public Service employees lose purchasing power to rising inflation, their spending will plunge rapidly and small businesses in my constituency, my community will suffer.

The government has now cut the Canadian Jobs Strategy program. The promise of job retraining no longer exists. In a recent survey, 68 per cent of Prince Edward Islanders said they believe unemployment to be the most pressing problem in that province. Only five per cent say the deficit is the most important and another five per cent say the overall economy is the most serious problem.

Clearly, these statistics speak for themselves—jobs, jobs, jobs.

I strongly feel that this budget will not help our country in any economic way. Between April of 1990 and January of this year Canada lost 288,000 jobs, and since the famous free trade deal, in the manufacturing sector Canadians lost 229,000 jobs, and the unemployment rate keeps climbing.

In terms of trade with the United States: after two years of the free trade deal shipments to Canada are up by three to five per cent while Canadian shipments to the U.S. are only up two per cent. Once again, the scales between Canada and the United States are tipped in the United States' favour.

In terms of bankruptcies for the year 1990: a record total of 11,642 businesses and 42,782 individuals filed for bankruptcy; up 47 per cent from the previous year. In January of this year there were 5,999 businesses in personal bankruptcy, this is up 69 per cent from the same time last year.

In terms of the deficit: in spite of six years of economic growth, which the Minister of Finance himself has called extraordinary, and in spite of 33 separate tax increases, the accumulated public debt has more than doubled from $166 billion in 1984 to $351 billion in 1990, and is expected to climb to $389 billion this year. The people are paying the price.

My colleagues and I constantly talk of the reasons why our country is in a decline. It is declining because this government does not believe in its own people. Government cuts to Established Programs Financing in 1986, 1989 and 1990 will reduce transfer payments to the provinces for education by $8.94 billion between 1986–87 and 1994–95.

Again, the people are paying the price. The promises of training and adjustment to free trade have not yet been put in place. The government has cut all of its $2.8 billion contribution to the unemployment insurance program and has cut back its training programs from $2.2 billion in 1984 to $1.5 billion in 1989. Once again, I say, the people are paying the price.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I listened with great interest to my hon. friend opposite as I always do. I wish to raise a question to him regarding veterans, which I know he has a tremendous interest in. He has speculated on the future of veterans affairs. Certainly, he raised the question, in particular,

with regards to a decrease in the budget for veterans allowances. He seemed to suggest that this was an inappropriate thing.

It could not help but remind me of the days 35 years ago, during the time of the government of Mr. St. Laurent, when they had horses on the payroll. In this government we do not believe in having horses on the payroll and indeed, we do not believe in having people on the payroll who are not there to receive it.

I think it is obvious, and I am sure my hon. friend would recognize that it is logical, that we should have an annual reduction in its budget simply because a number of those veterans are passing way.

We have in Canada over 600,000 veterans from the three conflicts in which Canada has been involved: World War I and II and Korea. Over 38,000 of those are women. We pay very generous benefits to our veterans, more so than any other country in the world. One in three men in this country over 65 is a veteran.

I think the commitment made by the minister the other day when he, if I may quote from page 17914 of *Hansard*, said at that time:

> —I say to all veterans today that your valuable programs are untouched by this budget. Our level of commitment to you is undiminished. Canada will continue to have the most generous and compassionate veterans' programs and benefits of any country in the world. Do not let the critics make you think otherwise.

My question to the hon. member is: Since he has raised some reservations with respect to the commitment of this government, which I think has been demonstrated to be very positive, I would ask him to bring forth at this time any indication or any evidence he has to suggest that the commitment of this government to our veterans is any less than it should be?

Mr. Proud: Mr. Speaker, I thank the hon. member opposite for his questions and for his comments. Even though the number of veterans are becoming fewer and fewer I believe, as do many people connected with veterans, that the amount of the pensions, that the amount of money put forth by the government and by governments is never enough. I believe there are many more areas the government could be involved in, with benefit to not only veterans but the children of veterans and the wives of veterans who have not been able to qualify for certain things, and that many more programs should be brought about.

I also am concerned, as I spoke of the other day, about the future of this department. I have had many questions from veterans in my constituency and across the country as to what is the future of this department. I was assured by the minister the other day that nothing is going to happen to it in the near future. I certainly hope that is the case.

I do believe that we provide very good programs for our veterans, but we must continue to do this and improve upon it anywhere we can. We must improve for the veterans' families, their children, and their wives and husbands. We have to continue even though the numbers may be decreasing. We must expand the programs and make more money available to them any time we have a chance.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I too would like to say a few things about Bill C–97. This bill would enable the government to borrow $26.5 billion. I believe before we allow it to go to the House or take a vote on it, we ought to hear from a number of members around this Chamber about how we feel about the government's budget. I rise in that particular spirit, because I have some fairly strong feelings on the budget of the government this year.

• (1610)

I regret that the gentleman from Delta is not in sight, but I am sure he is within earshot. In responding to my colleague from Eglinton—Lawrence he mentioned that the short answer, in his words, to the question put to him had to do with the legacy of debt, as he characterized it, left by the previous administration.

I am sure that for him, conveniently, that is the short answer. I think he would be the first to agree that it is not the honest answer though, because the honest answer is that the public debt that we are now dealing with is just over twice as much as it was in 1984 when this administration took over.

At some point it seems to me that the government, after six-plus years in office, six and a half years in office, ought to begin taking some responsibility for its mismanagement, for its inaccurate projections, for its wrong guesses.

These are just not words of mine. Let me give you the words of the Minister of Finance, the gentleman who indeed has been the Minister of Finance for this long tiresome, stretch since September, 1984. He has now brought down his seventh budget. Let us have a look at

some of his other budgets before we take at face value all the things he tells us with respect to this budget.

For example, in last year's budget, the Minister of Finance forecast that interest rates for last year, 1990, would be 11 per cent. We all know, of course, that he was way off the mark. They were not 11 per cent at all; they were 13 per cent.

Last year, the minister told us that the deficit would fall to $28.5 billion this year. That was his projection just a year ago, that the deficit right now would be $28.5 billion. It is actually $30.5 billion, two billion dollars more.

Let us go back a little further to his second budget, back in 1985. At that time, the minister told us that the deficit for this current year would be $18 billion and, as I just said, of course it is not $18 billion but $30.5 billion. That is a long way off the mark.

You might say that with that kind of lapse in time you can expect some changes. Of course you can. It is not I but the minister who undertook to project in the first place, and he projected five years before the fact what things would be like five years down the road.

We are now down the road that five years, and he is off by a tune of $12.5 billion. That is a fair error. That is a pretty large mistake to make.

I could go on, Mr. Speaker, and tell you about some of the other things that he forecast in previous budgets. Last year, for example, he said that personal income taxes would rise by $4.7 billion. Now he tells us they are going to rise by $7.9 billion.

There is an entire litany here of examples where the minister has said one thing by way of forecast and the reality has proven him to be entirely wrong.

If the minister were wrong only in terms of his ability to predict the future, you could not completely hold that against him. You would, I guess, score him for being so foolhardy as to try and make such precise predictions in the first place but, having made them, he ought to be able to stick by them.

That alone is not his cardinal sin, because we all make some errors when it comes to projecting, predicting, calling the shots on times down the road. But where I believe he is really out in left field, where he has done something that is completely unforgivable, is in the area of making commitments on behalf of the government and then reneging on those commitments. In so far as my own constituency of Burin—St. George's is concerned, with its 158 communities stretched along 1,800 miles of coast line along the south coast of Newfoundland and up around the western corner, the minister will never, I say to him, ever be forgiven for what he and his colleagues did with respect to unemployment insurance; not only the changes, but the wrecking of the whole concept. He will know what I am talking about.

I am referring, in particular, to the commitment undertaken in this House. I challenge anybody opposite to get up and say this commitment was not made. I can point to the pages and the days in *Hansard* when it was made. It was made over and over again. The commitment to which I refer is the commitment at the time when the government wanted to keep its own troops in line to get Bill C-21, the UI bill, through this House last year. The commitment was made and repeated many times, that the benefactors of this program, the recipients of the UI, would not be asked to bear an unconscionably high increase in rates.

Indeed, there was a commitment made that there would be no appreciable increase in rates over the two or three years. The commitment was also made that in bad economic times the government would kick in. The statement was made again and again, that the fact the government was withdrawing its $2.8 million did not mean the government was out once and for all. In bad economic times, we were told, the government would ante up the difference.

That was the rhetoric last year when they were trying to ram the bill through and when they conned people on the Tory backbench over there into voting for something on the basis of a promise that the government obviously had no intention of keeping, the promise that the government would avoid having UI premiums escalate too quickly, particularly over the next two or three years.

Now we hear the Minister of Finance, less than a year later, say that in conscience they could not allow the fund to be underfunded, so the government had to make this dramatic increase in premiums. I say to the Minister of Finance and his colleagues, that is a classic example of duplicity, a classic example of where the government

made a commitment as late as last fall it clearly had no intention of keeping.

When you have in power people who practise that kind of wilful deceit, it is difficult for the electorate to believe a word they say, whether it is about projections of budget deficits or any other matter.

Mr. Speaker, I realize from your signal that my time has just about run out. In specific terms, the government decided to cut $100 million from the Canadian Jobs Strategy program at a time when the fishery is in collapse in much of my riding, both inshore and offshore, and at a time when people were depending on this program to keep the bread and butter on the table, to help them over the short term. For the government to cut $100 million from this program is absolutely and completely callous and unconscionable. I cannot understand where they are coming from in this particular respect.

Let me deal with the area of the Established Programs Financing, the medicare expenditures, the medicare votes to the provinces. I am thinking of my own province of Newfoundland. That is going to cause real problems for Newfoundland. Over the 10-year period since this government first began tampering with Established Programs Financing, and I am talking from about the 1985-1986 budget through until 1995-1996, this government's tampering with medicare will cost the Newfoundland provincial government treasury, $845 million. There will be a shortfall of nearly $1 billion.

• (1620)

It is actually $845 million over that 10-year period which, of course, is going to decrease and constrain considerably the capacity of the Newfoundland government to provide post-secondary schooling and medical care to the half million people who make up my province.

There are so many other things that I would like to say, but I see that my time is up.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I listened as I always do, with great interest to my hon. friend from Burin—St. George's.

I could not help but be somewhat confused by what seemed to be a somewhat contradictory aspect to his remarks. He referred to the growth in the public debt in this country during the last six years. I believe what he referred to was the fact that the debt has doubled during the last six years, which indeed is regrettable.

When this government and this Minister of Finance came into office, they inherited a $38 billion deficit, $11 billion of which was on program and operating and $27 billion was on interest charges.

That $11 billion operating deficit has now been turned into—I see in the budget—a $12.7 billion surplus. It is an improvement of $23 billion to $24 billion. My hon. friend says that that is not good enough and that the problem is that the debt has increased.

Mr. Speaker, when you inherit a $38 billion deficit and reduce it to $30.5, that is a tremendous bit of progress. You are still adding $30.5 billion to the debt every year.

The only way that this government could have prevented any growth in the public debt, as my hon. friend seems to suggest it should have done, would have been to wipe out a $38 billion deficit within months of coming into office.

In fact, what the government has done—I think to its credit—is gradually reduce that deficit to the point, as I said before, where an $11 billion operating deficit has become a $12.7 billion operating surplus. My hon. friend says that that is not good enough.

I wonder if he could share with the House how he would have, had he been Minister of Finance in 1984-85, got rid of the $38 billion deficit in one budget.

Mr. Simmons: Mr. Speaker, my friend from South Shore is always a delight to listen to.

In his previous intervention, he reached way back into his bag of tricks to a former Prime Minister, Mr. St. Laurent, and talked about horses being on the bureaucratic payroll.

My well-known kindness prevents me from saying, of course, that they are no longer on the bureaucratic payroll, they are obviously on the House of Commons payroll, at least half of them.

He says that reducing the debt could not be done. Perhaps he ought not to wait until I am minister of finance. I hope he is better at predicting than his colleague, the present Minister of Finance.

Maybe he can do himself the favour of not waiting until I am the minister of finance, but he should get the job himself. He said something a moment ago that is very significant. He told us something that in all fairness he should have told the Minister of Finance five years ago. He tells us it could not be done.

The Minister of Finance did not know that five years ago when he was predicting that it could be done, when he was predicting that it was going to come down to $18 billion. That poor Minister of Finance, with this brain on the backbench, not having the benefit of his knowledge, keeping it to himself, holding the information when the Minister of Finance could have been made to look much more plausible had only the member for South Shore told him what he obviously knew. It could not be done.

Make up your minds, fellows. Is it the Minister of Finance who is right or is it the newly-minted parliamentary secretary. I congratulate him. I knew with all the bellowing he was doing in the House it was a matter of time before it would pay off. I congratulate him on becoming the latest parliamentary secretary.

If he could only become the Minister of Finance and bring the kind of knowledge he just displayed to the front bench. He asks what I would do. I will tell him one thing I would do. I will tell him one thing I would not have done.

I would not have put the public treasury and more to the point, the people of Canada who have mortgages, through those unconscionably high interest rates over the past year or so. Just look at what that has done to keeping up the public debt.

Now, months after we stood here, day in and day out, and argued that high interest rates were not the way to go, lo and behold they have discovered the pages of our book. Listen to the Minister of Finance these days talk about how we have to keep the interest rates down because that is what will cure inflation.

A few months ago the argument was the reverse, we cannot let them come down because that will cause great inflation. Now, fellas, which is it?

What would I do? I would not have allowed John Crow and the crowd over at the Bank of Canada to take over the Government of Canada in terms of fiscal policy and keep jacking those rates up. They would have come down, our public debt would have been down and our deficit would have been down considerably. That is just one for starters, but there are many others. I would not have had 33 tax increases over the last six years. Does the member want me to go on?

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Before I recognize the hon. member for Edmonton—Strathcona, a point of order, the hon. member for South Shore.

Mr. McCreath: Mr. Speaker, there have been consultations of the usual manner involving the three parties as well as the independents, including the member for Beaver River, accommodating her interest to speak in the debate. I think you will find unanimous consent for the following motion I will put.

> That, notwithstanding the Order of this House made March 5, 1991, upon completion of consideration of Bill C-97, the borrowing bill, on Wednesday, March 6, 1991, a recorded division be deemed requested and deemed deferred until 3 p.m. on Thursday, March 7, 1991.

Mrs. Marleau: Mr. Speaker, in the spirit of great co-operation that we seem to be enjoying here in the House, I would like to say that we concur with this motion.

Mr. Althouse: Mr. Speaker, the order, as read, complies with the agreement that was made and we agree.

Motion agreed to.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I am appreciative of the opportunity to speak on Bill C-97, the borrowing authority legislation. This legislation flows from the budget speech which was delivered last week by the hon. Minister of Finance.

The budget's priority is action to create the essential conditions for recovery. We have chosen not to increase government spending. History shows that that approach has not worked. The key to recovery is lower interest rates. The plan for economic recovery will lead us to lower interest rates through a number of key actions.

First of all, we are setting out clear inflation targets. The result of lower inflation and lower expectations, which is very important, people's expectations of inflation, will result in lower interest rates.

Second, we are putting government finances firmly on the course to a balanced budget. We are removing the build-up of public debt as a source of inflationary concern.

The expenditure control plan announced in the 1990 budget is being extended for three years to 1994–95. The government is legislating mandatory program spending limits. We are establishing a Debt Servicing and Reduction Fund solely dedicated to offsetting the costs of public debt. This is something of which I am personally very appreciative.

My constituents, over the past year, have said that they would not mind paying the GST, that they are not adverse to paying taxes if they know the taxes are going to pay the deficit and the debt. People know that we must pay our own way. They know that spending more money than you have coming in creates inflation and inflation hurts everyone. The revenues from the goods and services tax and from privatization will go into this fund.

Third, we are strongly restraining the operations of government. As we all know, government operations are about $16 billion to $16.5 billion, which is about 18 per cent of the program budget. Most of the money that we spend in the Government of Canada is for statutory programs. But, nevertheless, we are severely restraining the operations of government. Operating budgets are being frozen at current levels and the wages and salaries of cabinet ministers, MPs, all Order in Council appointments and all federal public servants are being tightly restrained.

These measures show a fundamental commitment to strong, effective government management and control. This approach will serve Canadians well for years to come.

• (1630)

One other thing we are doing under government operations is moving the National Energy Board to Calgary. This move, I believe, will result in greater efficiencies. Ninety per cent of the business of the National Energy Board is with the oil and gas sector, and its clientele is in Calgary. So, the NEB will be able to interact and regulate the oil and gas industry much more effectively with lower cost to both the people of Canada and to the oil industry. For 15 or 16 years the oil and gas industry has had to bear the costs of travel and accommodation expenses when they have come to Ottawa in order to do business and to follow the regulations of the National Energy Board.

The Government of Canada will eliminate new federal borrowing in financial markets after 1993–94. I would like to quote from an article written by Jeffrey Simpson last week, entitled "Mr. Wilson chips away at the debt left over from the nightmare years".

> Ottawa became a fiscal cripple in the years 1975 to 1984, when the federal government accumulated nearly $200-billion of debt. Compounded interest on that accumulated debt cost another $120-billion by 1989–90. So the total bill for these 10 nightmare years of economic mismanagement, 1975 to 1984, is in the vicinity of $320-billion.

This is an impartial commentator, Jeffrey Simpson, from *The Globe and Mail*. He continues:

> It was obvious by the time the Tories took power in 1984 that, having spent a decade getting into an utterly untenable fiscal situation, Canada would need more than a decade to extricate itself from trouble.

And that is precisely my point. Our borrowing in the financial markets will cease after 1993–94 and by 1995 we will have achieved a balanced budget, roughly ten years after this government assumed office.

He also says in the same article:

> Indeed, the entire budget might be described as a treadmill: Higher interest rates make deficit reduction more difficult, large debts make deficit reduction more difficult, recession makes deficit reduction more difficult. Hence, more of the same.
>
> But the fundamental problem remains the size of the debt, close to $400-billion. If the debt were modest in size, say $150-billion, Ottawa's interest payments would be about $16-billion instead of about $42-billion, even at these high rates of interest.

I would like to conclude with this last quote from him:

> The cost of paying the interest on this mountain of debt—let alone writing down the principal—would be the grim task of any federal government.

The member from Burin—St. George's decried the fact that we were spending a little less on retraining, and other members have decried the fact that we have been spending less on this program, this program, and this program. Well, the fact remains that even if they were in power—and they will not be because they have flip-flopped on so many issues that Canadians know they are being unrealistic; they know the situation that we are in—they would have to deal with the same sort of debt

that we have to deal with. And that necessitates taking hard decisions.

I would like to quote from an editorial in *The Globe and Mail* of last Saturday, entitled "Ottawa's deficit, in relative terms".

> The yardstick by which his progress should be measured is the level the deficit would have risen to if he had followed the free-spending ways of his predecessors.

And that is speaking of Michael Wilson.

It goes on to say that:

> The Finance Department estimates that, if the parameters of the 1984-85 budget still prevailed—

And I would like to point out that the members opposite would like those parameters to prevail, because they do not want to make any cuts; they do not want to take the hard decisions.

> —the deficit would by now be $70-billion a year.

That is double what we now forecast, and $10 billion extra. I shudder to think of such a scenario.

It says that: "Mr. Wilson's current deficit is a considerably tamer beast than the one he inherited". The current deficit is 4.5 per cent of the gross domestic product, the best measure of the total volume of goods and services produced by Canadians.

In 1984-1985 the deficit was 8.7 per cent of the GNP. So, in relative terms of the deficit to the gross domestic product, we have cut that in half. That is a tremendous accomplishment.

It says also: "Nor is the beast as hungry as it once was. In the current fiscal year, Ottawa must turn to the public financial markets for only 15.7 per cent of its cash needs, compared with 27.3 per cent in 1984-1985."

That is a significant accomplishment. Once again, it shows progress. We have almost turned the corner to reducing our deficit markedly. The economy is more productive and in a couple of years our need for cash from the public financial markets will be reduced to zero.

Finally, Mr. Speaker, the editorial says; "In real terms, with the effects of inflation factored out, federal program expenditures have shrunk at an average rate of 0.7 per cent during his stewardship. This compares with a real annual growth rate of 5.6 per cent for the previous 15 years—"

This next phrase is significant: "—a period in which the keys to the vault were in the hands of Finance Ministers appointed by Pierre Trudeau". And the Leader of the Opposition was one of those finance ministers.

Those figures are, of course, with inflation factored out.

That has meant that we have had to restrain expenditures in the program area because the costs of servicing the debt have been growing and have been so enormous. Just think what would happen, how much better off Canadians would be if we had no debt. We would have $16 billion extra a year to make the economy that much more efficient or to provide things like day care or training, or to address some of the structural programs in research and development where an investment might be necessary.

This choice was made by the Liberals in previous years. Because of the debt we have had to use whatever money that has been accrued to the government because of increases in productivity, and so on, we have had to apply that to the deficit and not spend it where it is necessary.

I would like to touch upon the productivity of the Canadian economy. We have seen a lot of productive growth, and this has been very good for us as Canadians. There are three ways in which one can reduce a debt; one is increase taxes, the second is to cut spending; but the third way, and that is the way we have chosen to go in most cases, to increase productivity.

That is what the free trade agreement is all about. That is what the goods and services tax is all about. The goods and services tax will add about $9 billion of productivity to our gross domestic product. That is a lot of income to the government to pay down the debt and in future years perhaps make investments in science and technology and other areas where we deem it necessary.

Our productivity is not as good as it could be. Our productivity performance, the measure of how efficiently we produce and services, has been deteriorating in the manufacturing sector. From 1974 to 1989, over-all productivity growth fell to a quarter of its average level in the previous 20 years. In the first half of the 1980s it did not grow at all. Over the past 15 years, Canada has fallen to fifth from second place among the Group of Seven industrial nations in manufacturing and labour productivity. In fact, over the past six years Canadian manufacturing productivity growth was the poorest among the G-7 countries, despite strong economic growth across

other sectors in our industrial economy. Competitors such as West Germany, Italy and France have caught up to and surpassed our productivity levels.

• (1640)

In the 1970s and 1980s Canada's policies were undermining its long-term productivity performance and needed to change course. The 1984 agenda for economic renewal outlined the competitive challenge facing Canada and subsequent actions helped to provide a better framework for restoring productivity growth. Today, as we well know, Canadians are increasingly concerned about their ability to compete. These concerns range from macroeconomic issues, such as inflation, interest rates and the exchange rate to structural problems with our productivity performance, effectiveness of investments, the burden of government and the business climate.

We, as government, have a responsibility to create an environment that encourages the growth of competitive enterprise. The 1991 budget announced actions to restore fiscal balance and to move toward price stability. This will lead to a stable macroeconomic environment, increased confidence in the Canadian economy and will strengthen our ability to compete in a tough economic world.

In working to develop shared approaches to basic economic issues, the federal and provincial ministers of finance are looking at the rising costs of government and at overlap and duplication.

I would like to quote another article from Diane Francis in this week's *Maclean's* magazine. She states:

> Fortunately, Michael Wilson's budget last week continues the Tories' attack on the debt problem, curtailing program spending to less than the rate of inflation and taking aim at civil-service salaries and transfer payments. The hated GST is a godsend, a money machine whose windfall profits will be legislatively earmarked towards paying the debt. Still, an inability to control interest rates or other government spending plagues Ottawa, with the result that both debts and interest rates are higher than they should be.

It is significant that the provinces in aggregate have a greater share of the economy than the federal government. So what we have done through this budget is we have said we must take a leadership role and we are encouraging the provinces to restrain their spending to 3 per cent a year.

Diane Francis goes on to say, and this is one of the best descriptions of the debt that I have read:

> The debt is frightening. One hour from now, we will all be $3.5 million deeper in debt. By tomorrow, add another $84 million. Ottawa's debt now tallies $388.5 billion, or $15,000 for each man, woman and child, up from $2,591 per head in 1976. This year, it will hit $400 billion. The collective provincial-municipal debt is more than $100 billion, or roughly another $3,850 per person, giving Canadians the dubious distinction of being among the world's most indebted citizens. Hopefully within one year, the deficit, interest rates and unemployment will be much lower, as the recession and the Gulf War end and the GST plus fiscal restraints yield a pay off in the billions.

I am hopeful that that will happen too, that our debt will recede, the recession will lift this summer, and by all means it should, and our policies that we have been putting in place for the last five and six years to make our economy that much more productive will take hold.

It is significant to note that the manufacturing sector shrunk during the 1981-82 recession by 5.5 per cent. During this recession it has shrunk only by about 2.5 per cent. The opposition says all the time: "This factory is shut down due to free trade". These are normal adjustments that happen in every recession and should not be attributed to free trade.

But free trade certainly will help us rationalize our manufacturing and increase our economies of scale and be that much more productive. There will be greater division and specialization of labour, which is very, very important.

So we have been doing the right things. We need to borrow this money to continue on the road which we have set out. We are managing the economy but yet we are looking out for those less fortunate. Most of the increases in this year's program expenditures, 6.9 per cent, which is a high percentage increase in program expenditures, will go to the elderly and to other sectors of society and the economy that need that help, people who have to weather out the recession.

I would like to close by saying that we are doing the right things. We are on a course of recovery. The recession will lift. This budget is a good one. We have learned the lessons from the past, that you cannot spend, spend and spend because that will increase inflation and

hurt everyone and drive the economy down to negative economic growth, and that is something we do not want to see.

Mr. Guy Ricard (Laval–Ouest): Mr. Speaker, I listened carefully to the speech of my good friend. He says that his constituents are quite willing to pay taxes as long as they know the money is well used.

To achieve his goals, the minister said the other day that a special fund has been created for the GST. Can my colleague explain in a little more detail just how this fund is going to be administered and what moneys it will contain?

Mr. Thorkelson: Mr. Speaker, I thank my hon. colleague for his question. It is a good one. I, and I am sure he and many other members of the House, will be explaining to Canadians how this fund will work.

The fund will be a separate fund, a national fund, accounting fund to demonstrate to Canadians and to make a commitment to Canadians that revenues from the GST will be put toward the deficit. Revenues from privatization and individual donations that Canadians will make toward debt reduction, will be applied to the deficit.

Also, there is a commitment that this money from the GST is not going to finance more program expenditures which would then necessitate an increase in the GST. People are willing to make the structural change to replace the federal sales tax with the GST because they know it will increase productivity and because they know we are in a terrible deficit situation. They do not want inflation, they do not want negative or low economic growth because of what high deficits and high inflation do.

I remember one of my first town hall meetings after the last budget. A woman came up to me and she presented me with $100 and she said she wanted me to take this to Michael Wilson to apply against the deficit. This is someone that was very, very concerned about the deficit, that was willing to reach into her pocket. This is someone who is a single mother and had a couple of children, divorced from her husband, a teacher struggling to make it on her own; but she was willing to pay $100 toward the debt. I in turn handed that over to the Minister of Finance.

Now there is a place where Canadians can direct any money they want to apply to the deficit, with the assurance that it will go toward paying the deficit.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, just a comment here. I heard my colleague say that we have to stop spending, spending, spending. I am quite surprised, because if there is any government that has been spending, spending, spending, it has been this government. I can give him examples of what I call the credibility gap as far as the question of spending is concerned. We can take a look at our beautiful Senate where senators are paid $153 a day just for showing up. It is this government that has actually said: "Go ahead, we will give you the spending"—here is the key word—"increases that you need". It is just probably a paltry sum for the other side; $6 million or $7 million, but for our impoverished senators it is approximately $153 per day when they decide to show up.

• (1650)

It is a coincidence, but I believe I met the same lady in Chambly who met my colleague. She too gave me $100 for my election in order to get this government out of office.

I think it is important that we realize that this government has a credibility gap when it comes to what we would normally call austerity. I remember the night the finance minister was presenting his budget. I walked from the Confederation Building up to the Hill, and I had to weave my way through limousines. We had wall to wall limousines. We still have them, and I do not see any cutbacks at all in the limousine fleet. It is $6 million or $7 million for the Senate and $27 million for the Spicer commission. I know when the Prime Minister is asked, he says $27 million to save Canada is a small sum. Well, I think it is a large sum and I think it is a question of having money well spent. I would certainly welcome an investigation into the Spicer commission.

This is the last point I want to make. This government spent $40 million to make videos of such importance as "Meet your Minister of Defence, Mr. McKnight", which cost $15,000 as well as a video for our troops in Germany on how to drive, another $10,000. This government does not know how to stop spending. This government will only learn how to stop spending when the Canadian public kicks it out of office.

Mr. Thorkelson: Mr. Speaker, I am just sorry that my hon. friend from Chambly was not here to hear me say

that the Minister of Finance increased program expenditures at a rate of .7 per cent during his stewardship. This compares with a rate of 5.6 per cent for the previous 15 years. So we have hardly increased program expenditures.

Yes, you can if you want, pick across the range of $110 billion of expenditures every year. You can pick out little things where we have made mistakes or where we could tighten up expenditures.

An hon. member: That is the problem. It is all little things.

Mr. Thorkelson: You talk about limousines as if they were stretch black Cadillacs. They are not. They are ordinary black Chevrolet cars with black wall tires. You get a big kick out of this, but it is a very, very small portion of the budget.

An hon. member: Look what you gave to Ed Broadbent.

Mr. Thorkelson: It is a very small portion of the broad range of government expenditures.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I rise today to speak to the government's request to borrow $26.5 billion and on the budget tabled by the finance minister February 20 this year, and at the same time address some of my personal concerns about the economic future of Canada.

These are not easy times, Mr. Speaker, as you know. In the northwestern parts of Saskatchewan where I come from, the urban and the rural population are feeling the pressures of the recession unlike most in this country.

Throughout the area that I come from, small business people who are still in business tell me that they have never seen things this bad. Consumer spending is way down in all areas. The retail stores, the service sectors and even our small but very important manufacturing sector are all looking for a way out of this economic dilemma.

Our problem in Saskatchewan is the same one that affects the economy in the rest of Canada. It is not a regional problem that requires a regional solution. It is a national problem that only actions by the federal government can correct.

The recession in Canada has been brought on by the high interest rates, the artificially high dollar and high unemployment, each of which exists because of decisions taken by this government under this finance minister.

During this past weekend while I was in my home constituency, I did a lot of thinking about the recession, the local economy and the minister's solution. I also read the newspapers. They provided me with quite a bit of information over the weekend. Perhaps this government has not taken the time to look over some of this important information.

I read *The Western Producer* among many other farm and rural newspapers. Despite the fact that this government does not understand the value of these farm and rural newspapers and is placing unfair and unreal postal demands on them, these newspapers are going to continue to provide rural people with valuable information. The government would do well to read them regularly.

Last week in the February 28 issue of *The Western Producer*, we learned that the Saskatchewan and Manitoba economies will fare the worst of all provincial economies in Canada this year.

Quoting from the Conference Board of Canada, *The Western Producer* said the poorer economies are the result of the general recession and poor grain prices. Again, I remind the government that even with all the diversification in the world, we are still an agricultural economy. To survive, we need improved and stabilized agricultural incomes.

The real decline in provincial output is projected at 0.8 per cent in Manitoba and 0.7 per cent in Saskatchewan. From my reading of the finance minister's budget, there is nothing here that even begins to address the deepening crisis on the prairies. Yes, there is a $1.3 billion tag for agriculture, but as I speak there is still no disclosure of what it is tagged for.

Certainly, the government spending estimates tabled Thursday did not give us any idea of the new priorities and neither did the agricultural ministers' announcement Saturday, following their meeting in Saskatchewan. In fact, the more we examine the announcements, it seems that the federal government's so-called new money is tied up in the GRIP and NISA programs, neither of which is expected to have any impact on the early part of this year's farm income picture.

My remarks on GRIP and NISA will have to wait for another day when the enabling legislation is reviewed and debated in this House.

Let me say this, my biggest criticism to date is that the federal government, with the help of Saskatchewan Premier Grant Devine, is selling GRIP and NISA throughout the west aggressively but without detail, without agreement and without legislative approval.

Before the legislation was introduced earlier this week providing the federal government authority to enter into negotiations with the provinces, the Saskatchewan government had already held some 40 information meetings across the province to discuss a package that they had not even agreed upon.

There is not a farmer in Saskatchewan as I speak who can tell you what GRIP will cost him or her in the coming year. Therefore, I ask: How can the farm person properly assess the short and long term effects of this very important program?

On top of this, Premier Grant Devine was quoted in Monday's Saskatoon *Star–Phoenix*. He was trying to blackmail farmers into signing up for the program. The lead in that *Star–Phoenix* newspaper story reads: "If farmers expect Ottawa to help them out this spring they'd better sign up for GRIP, says Premier Grant Devine." The is the lead of the story on the front page of Monday's Saskatoon *Star–Phoenix*.

Here we are trying to assess whether a very important and expensive federal government agriculture and economic initiative is as good as we are being told it is, and the two levels of government are forcing farmers to buy into it without details being announced and even before the legislation is introduced into this Chamber.

• (1700)

We cannot help but be sceptical in all of this. The snow is starting to melt on the prairies and in the near future the crops will be seeded for another year. The farm community has been let down by these governments, many times in the recent past by this government, and now with a Saskatchewan provincial election imminent the farm community is very much concerned.

Remember last year, Mr. Speaker, this federal government told Canadian farmers that they did not need the interest–free cash advance any longer. The government did their studies and they provided evidence to this Chamber to prove that the interest–free cash advance program should go. Amid sound and reasoned articulate arguments to the contrary from this side of the House and from agricultural organizations the government decided to pass the legislation in any case, and they did away with the program.

Only they were wrong. The program was needed. It was essential and the government had to reinstate it later this fall. Low prices, low sales, and congested elevators, all those things that existed when the program was created in the first place forced the reinstatement of the program. There was a need.

It was not that long ago that the Western Grain Stabilization Program was tampered with by this government. Announcements were made about big pay–outs, and then there were premium increases foist upon the farmers, and the cheques went out and the farmers paid their bills, only to find out that Ottawa had overpaid the producers and that Ottawa was sending out bills of their own for collection on the overpayments. When it was all over the farmers who thought they were getting a stabilization payment and used it to pay their bills found themselves owing even more money to the federal government.

The new agriculture programs GRIP and NISA may indeed help the producer, but we should not as a nation be committing ourselves to it until we understand it in all its parts. The programs are too important not to be reviewed and all their faults debated, reviewed, and corrected without pressure or deadlines.

If a long–term program cannot be agreed upon short–term financing and debt moratoria can bridge the gap until agreements can be reached on a proper and adequate program.

As for this years bridge, the finance minister's budget does not tell us anything, but we as prairie representatives want him to know and understand that we need almost all of that budgeted $1.3 billion for spring seeding this year, regardless of what happens to GRIP and NISA in the future.

Farm organizations such as the prairie pools and the National Farmers' Union are asking that the seeding payment be the equivalent of the loss in net income sustained by grains and oilseed farmers in 1990. This should mean by itself a payment in excess of $1 billion. A substantial program is necessary to carry farm financing

through until the much-needed farm safety net program is in place.

The farm population has come through nearly seven years of inadequate grain prices and have had to battle other rising costs, high interest rates, and decreasing government support.

Despite the fact that this government throws out huge numbers to woo farm voters, the reality is that the direct government support for farmers last year fell to as five-year low and caused the first national decline in farm cash receipts in five years.

Of course on the prairies, and in particular Saskatchewan, we had income declines for several years.

From 1989 through 1990 payments on the prairies for crop insurance stabilization and *ad hoc* programs dropped a whopping $1.1 billion, according to figures published by Statistics Canada in the last week of February. The decline in payments led to a drop of nearly 10 per cent in farm cash receipts in Saskatchewan. Crop insurance payments were down 38 per cent. Stabilization payments were down 70 per cent and *ad hoc* support program financing was down 34 per cent. Good crops, reasonable sales, low prices, and the loss of support programs have hurt.

As long as Canada values its food supply industry and as long as the marketplace refuses to support price levels sufficient to meet production costs, the federal government has an obligation to ensure farm viability and that means price supports in the short and the long term.

The finance minister has produced seven budgets and presided over a national economy that has experienced much growth, but the people are poorer as a result.

The deficit and the debt are increasing, and regional disparities have grown. As long as we live in a country that allows personal income taxes to increase while corporate taxes decline, as long as personal tax bills increase but tens of thousands of profitable corporations continue to escape all taxes, we will continue to have economic problems, and that means greater social problems as well.

The finance minister has let us down. He has failed to address the real problems in Canada. He has ignored our needs and aspirations, and Canadians are the poorer as a result. There are alternatives. The federal finance minister would be well advised to accept them.

Mr. Blackburn (Brant): I rise on a point of order, Mr. Speaker. My colleague spoke for 10 minutes and I will use the other 10 minutes.

The Acting Speaker (Mr. Paproski): Yes, but first there are questions or comments.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I would like to add my voice to the speech of the hon. member. I heard him speaking about his beautiful riding, and we want to do the same thing.

[*Translation*]

In my riding, Mr. Speaker, this budget was well received because it was reasonable. I was listening to my friend opposite speak on agriculture, and I could not help but think that he should give us the whole picture. What bothers me most with socialists, is that, when quoting figures, they are very selective and, with amounts of money, they quote only total amounts, without specifying whether it will be spread over three or four years.

My colleague here, the hon. member for Champlain, was parliamentary secretary to Agriculture at one time and I asked him a few questions during his speech. One thing is sure, this government has no lesson to take from socialists from anywhere in the country, considering all the income supplementation provided and the fact that the net farming income for 1987 totalled $4.4 billion. The federal and provincial governments provided some $6.5 billion in assistance, and those are small amounts.

Mr. Speaker, I have a full list of figures here that I could give my hon. friend. Exposed to crossfire in the trade war between the US and the EEC, Saskatchewan, the province he is from, is concerned directly by this. The Canadian government increased direct income supplementation by $2.2 billion each year from 1985 to 1989. And they want to come and make speeches and tell us what to do—Socialists are in no position to teach anybody a lesson on how to spend money.

I have been elected to this House in 1984. In those days, my NDP counterpart was Mr. Agnaieff, the national vice-president of the NDP and president of the Quebec branch. We both travelled by train, but, while I travelled coach, the NDP, the socialists, were travelling first class. That is NDP politics for you—

[*English*]

First class, that is NDP politics: help the poor and kill enterprise so that they have no more jobs. What you are saying is too easy; say the truth.

Mr. Blackburn (Brant): Come off it.

Mr. Della Noce: Billions of dollars—

The Acting Speaker (Mr. Paproski): There is only one minute for the hon. member to reply.

Mr. Taylor: I sorry that I only have one minute to answer the member. There are lots of numbers out there, and you know the old adage about what you can use figures for and how figures can be used, Mr. Speaker. I will not go over that matter.

The member can throw out all kinds of figures, but where I come from the grain is stacked on the ground and the people are being forced off the land. The amount of money that has come from this government has been inadequate to meet the needs of the farm population on the prairies. It was inadequate under all of those circumstances, and the present programs are less funds than have been provided in the past. The decreases have existed, and more and more Saskatchewan farmers are being pushed off the land. They are being moved into the larger communities to unemployment and a different quality of life, and our food production in this country is declining as a result.

• (1710)

This government is also foisting upon the rural population increases in costs for RCMP services, mailing privileges for small community newspapers which allow for communications to exist between these communities, and emergency vehicle licence fees that allow for fire departments, police services, and ambulances to operate within the rural areas. Additional costs are being applied from this government on to those communities, and as a result they are not in any better shape than they have ever been.

Mr. Derek Blackburn (Brant): Mr. Speaker, I have a few brief remarks I would like to add to those that have already been presented here this afternoon on the borrowing authority, the $26.5 billion bill that the government needs in order to make up its revenue shortfall.

As well, I would like to make one or two comments in relation to the budget, because the two go hand-in-hand as we know.

First of all, I want to tell the House that I represent a constituency, the federal riding of Brant, that for the second time in 10 years—first under the Liberals and now under the Conservatives—is suffering terribly as a result of this government's fiscal, monetary and economic policies. We are going through one of the worst recessions in our history. Unemployment is mounting by the day. But, unlike 1981-82, 50 per cent of those jobs are gone forever; whereas 10 years ago at least most of them were called back after the recession was over.

The member opposite said: "What about all the money on job creation?" That is one of my points. In this budget the government is taking $100 million out of the Canadian Jobs Strategy program, at the very time, regardless of political persuasion, we all agree that retraining and teaching new skills out there in the work force is absolutely paramount if this country is going to be able to compete globally, as the Conservative government is always reminding us day in and day out.

Let me also say at the outset that there is nothing in the budget, and almost nothing in the borrowing authority that I can find, that will improve our research and development programs in this country in both the public and private sectors.

Recessions come and recessions go. People get hurt, other people do not get touched at all. If there is one thing that is clear today in terms of economic health in this country, it is that if we are to survive as a first world nation, if I can use that expression, we are going to have to pump hundreds of millions of dollars and a lot of sincere effort into improving the research and technology and scientific development, on the one hand, in our industries and, on the other hand, we have got to train a work force that can not only withstand recessions but can rise to the new challenges of that technology.

If this government does not do it, the next one will, because in another 10 years the money just will not be there and in another 10 years we will not be able to generate that capital.

The other devastating aspect to both the budget and the borrowing authority itself is the fact that, wittingly or unwittingly, this government is only adding to the divisiveness within the country by capping transfer payments, year after year. Incidentally, it began with the Liberals. I am not blaming the Conservatives for originating this heinous idea. It began with the Liberals, but by strait-jacketing the provinces and by capping transfer payments the provinces are having to restrict the outflow of their funds to the municipalities.

I do not for a moment believe that the property owner or the average Canadian out there—the ordinary Quebeckers, francophone and anglophone, the ordinary Ontarians, westerners, west coasters, wherever one lives in this country—thoroughly understands and appreciates what is going to happen to his property tax base in the next decade if this government continues its economic policies as they are enunciated at this time. We are going to be paying $5,000 or maybe $10,000 a year in property taxes, where we are paying about $2,500 now. Or, we can go the American route and keep our property taxes down but have our police departments falling apart, our fire departments falling apart, our streets full of potholes, our public school systems going to the dogs, and the criminals taking over the streets.

Those are the options that we have in order to prevent what is happening to the rotting inner cores of American cities. It is about time we took European countries as our model and not that blessed country to the south of us that does not know how to treat its people in the social envelope, does not know how to spend money on behalf of the public good.

If you take a look at the budget, who are the people who get off scot-free in the budget? Well, I will tell you who they are. They are friends, the big corporations, who came to the rescue during the free trade debate during the last election, and the free trade of course as we know has cost us a lot of jobs in this country.

This budget, for example, does not eliminate one single tax break for the rich. The rich, as a result of this, have access to other kinds of tax deferral programs that the poor do not have. The government has not touched the windfall of an average of $1,175 in tax cuts that Tory "tax reform" has given people earning in excess of $100,000 a year.

The government has left the dividend tax credit intact. The government has left in place a subsidy of 5 per cent federal sales tax credit, the subsidy for business lobbying and other political activities, and the subsidy for Canadian multinationals investing overseas. There is no minimum corporation tax. There is no wealth tax. There is no succession duties. Real estate developers in particular can relax and continue to enjoy all the tax breaks that enabled so many of them to become millionaires at our expense, the expense of ordinary Canadians, back in the 1980s and before then.

But who are the people who are hurt? On whom are we trying to force a recovery? On whose backs are we doing it? We are doing it on the unemployed. We have cut $100 million out of the jobs strategy program. We are raising unemployment insurance premiums—they are going to hurt both those who still have jobs and the small business community.

We have cut back, and continue to cut back, on public housing, social housing, not one cent increase in a desperately needed social problem area within our country. In my own city of Brantford unemployment is now running at 15 per cent. The official rate is 9.7 per cent. Last month 7,068 people were receiving unemployment insurance benefits, 46 per cent higher than last year, and they take a look at a budget and a borrowing authority bill like this and they wonder what kind of insensitive government do we have here in Ottawa. There is absolutely no help whatever in either direct job creation or in upgrading the education and the work skills of our workforce.

Is there anything more stupid than to say to a person who is on unemployment insurance that that person cannot go back to school to improve himself, he cannot go out—unless he is chosen through the jobs strategy program—to learn a new skill at a community college or a high school because, why? Because he is on unemployment insurance.

Well, for God's sake, that is the time he should be back retraining. That is the time he should be improving his skills. That is the time he should be going back to school, and being able to collect unemployment insurance at the

same time because in all likelihood he is married and has two or three children.

This government's priorities are all backward. Yes, we have to fight that national debt and the deficit and, quite frankly, I am not opposed to say 50 per cent of the GST—although I am opposed to that tax in principle—going toward retiring the deficit. But why not the other 50 per cent going toward job creation, or toward skill training, or educational upgrading?

Both the borrowing bill and, indeed, the budget itself were an absolute disaster for the vast majority of people in my constituency and I deplore it. I know that my time is up, but I sincerely hope that as this recession continues the government realizes that the Herbert Hoover approach and the R. B. Bennett approach of the early 1930s is not going to lift us out of recession. In fact it is going to make the recession even worse.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I will be very brief. I am a great admirer of the Socialists, so much so that I sometimes wonder whether they are not leading us straight down the path to Communism. Earlier, the hon. member told us not to imitate our neighbours to the south, the Americans. That is what he said: Don't imitate the Americans.

• (1720)

[*English*]

Mr. Blackburn (Brant): I thought the Soviet Union was an ally now. Where have you been for the last couple of years? Have you been on another planet?

Mr. Della Noce: Wait, do not get excited. It is coming. I will get to your planet, soon.

[*Translation*]

Mr. Speaker, when he says we should not imitate countries like the United States, when that country has an economic output of $7 trillion, does the hon. member mean we should imitate developing countries in Eastern Europe? Are we supposed to go and see how they manage? I will let the hon. member answer that!

[*English*]

Mr. Blackburn (Brant): Mr. Speaker, now that the eastern European countries have shed communism and have decided to become democratic, I see absolutely no reason why we should not co–operate with Poland, with Czechoslovakia, with Hungary, in their efforts to improve their economies. I think it is an excellent idea.

I am just wondering why the hon. member is so reticent to assist countries that are desperately trying to turn their economies around and, during the last two years, have replaced communist dictatorships.

I do not know where he is coming from. I do not think he has been here for the last couple of years, or at least he has not read a newspaper.

[*Translation*]

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, it is clear that the national debt and the deficit are central to the debate on borrowing authority legislation. It is equally clear that as a government, we cannot afford to simply spend our way out of the current recession. This simple solution, recommended by followers of Keynesian economics, simply will not work when we have already had 20 consecutive years of deficits. It would be tantamount to piling debt on top of debt, and frankly, Mr. Speaker, we have had enough. We cannot continue on this path of progressive indebtedness because it is literally the road to ruin.

The Budget tabled by my colleague, the hon. Michael Wilson, opts for another route that leads to economic recovery and prosperity, thanks to measures designed to lower interest rates. At the same time, however, we must substantially reduce federal borrowing and spending if the drop in interest rates is to be more than just passing phase.

Mr. Speaker, perhaps I should recall at this point that the consultations that preceded the drafting of this Budget included business groups, labour unions and other groups. Generally, they strongly recommended taking steps to lower interest rates in order to stimulate the economy and help the government improve its financial situation. That is exactly what we are doing now.

Interest rates and deficits are directly related to that metaphorical ball and chain we call the national debt. Consider, if you will, the national debt, Mr. Speaker.

By the summer of 1991, our national debt will be $400 billion. Some people will say: What is a billion? Let me give you a simple example to illustrate what one billion means. If a person had put $1,000 a day in a plate, every day of every year, starting with the year one of our present calendar, by December 31, 1991, that person would have accumulated less than three quarters of one billion dollars. That same person would have to keep setting aside $1,000 a day, every year, for another 746 years, in other words, until the end of 2739, before reaching the one billion mark. As they say in French, a billion is not exactly a small beer. Our anglophone colleagues would say: It's certainly ain't peanuts.

This year, the national debt works out to the equivalent of a personal debt of $15,000 for each man, woman and child living in Canada.

Just imagine, every time a baby is born is this country, it is saddled with a debt of $15,000. Assuming that interest rates remain at a steady level of 12 per cent annually, this means that when that baby is six, his debt will have increased to $30,000 and by the time he is twelve it will be $60,000. When as a student, he finishes high school, he will have a debt of $120,000 without ever having borrowed a cent.

[*English*]

That is the happy result of compound interest on the lending side, but it is the sad and brutal reality of compound interest if you must borrow money. It helps explain why our national debt, which was at the $200 billion level when our government took office in 1984, will reach double that figure this year.

More than 80 per cent of that increase can be attached to the compounding interest on the original $200 billion. It is also the main reason why the annual deficit is still at $30 billion in spite of the reduction in spending, and the increased revenue actions taken over the past six years. The interest costs alone on the accumulated debt this coming fiscal year will be $43 billion. That is $1,650 out of the pockets and purses of every Canadian.

It means there is that much less money available for medicare, research and development, job creation and many other programs that would be so helpful to Canadians. We must get off the treadmill of debt. That means reducing the burden of rapidly growing interest payments.

To do this we must deal firmly with the greatest single threat to economic progress: high inflation. Lowering inflation enables interest rates to come down. Low interest rates allow existing businesses and new businesses to create more jobs, help our country to be more competitive, and contribute to increase our over–all prosperity.

That is the path chosen in the budget for bringing about a recovery of the economy, a recovery that will be sustainable over the long term.

[*Translation*]

Lower inflation, lower interest rates and lower annual deficits are each others complement and are all factors that tend to stimulate strong economic recovery.

Ever since we inherited this unyielding deficit in 1984, our government has made an incredible effort to reduce operating expenditures.

Spending on all government programs and services has been maintained at levels well below the growth rate of the economy and the rate of inflation.

We have reduced operating costs of government services despite an increased workload. The number of public servants has been reduced considerably. Budgets for travel by elected representatives and public servants have been cut. A number of government agencies have been wound up, and we have privatized several Crown corporations.

In the years to come we intend to continue our unceasing struggle against inefficiency and irresponsible spending.

When we took over the government of this country, the previous federal government was spending $16 billion more on operating expenditures than it received in revenue. As a result, we had to collect $130 in taxes to provide $100 worth of government services, and Canada had an operating deficit.

At the end of the last financial year, this operating deficit had turned into a $9 billion surplus. This means that during the first five years the Progressive Conservative government was in power, we managed to bring about a complete reversal of this situation to the tune $25 billion. Our government has engineered a basic

structural change by restoring a stabler balance between expenditures and revenues.

• (1730)

Mr. Speaker, the debt load will become lighter as the national debt takes less and less government revenues. But despite the positive measures that have been adopted we must admit that our priority objective—reducing the debt—remains beyond range unless we impose further restraints. The 1970s and early 1980s were highlighted by a carefree approach based on precarious abundance. This and the next decade will bring us back to stark reality.

If the servicing of the national debt continues to take an ever larger portion of the government expenditure budget, there will of course be less and less money available to maintain the programs which Canadians want because soon they will no longer be able to afford them.

Mr. Speaker, time has come for each of us to assume our collective responsibilities. There can be no reduction in our annual deficit and in our national debt unless we have a flourishing economy. Prosperity can only flown from lower interest and inflation rates. The best way to achieve this goal is to draw inspiration from the example of a government like ours which controls its own operating expenditures. Since a significant part of government outlays is accounted for by public service wages, we have decided to set strict limits on wage increases.

Mr. Speaker, hon. members should note that, generally speaking since 1984, federal government wage increases have been under the inflation rate and less generous than in the private sector.

The budget tabled recently by my colleague Michael Wilson re-affirms our government commitment to continue along that line by indicating just where the line has to be drawn.

As a result there will be no increase in the salary budgets of the departments for the next fiscal year, and raises will be limited to 3 per cent the two years after that. In addition the number of senior officials in the Public Service will be reduced by 10 per cent.

As hon. members already know, Mr. Speaker, the rate of salary increases for the Prime Minister, Cabinet ministers and all MPs has also been limited one way or another.

We are going to innovate by adopting legislation to limit the annual growth of government expenditures at 3 per cent beginning with the fiscal year 1991–92 until the end of 1995–96. This legislation will also indicate that any new spending program will have to be funded by reducing appropriations for existing programs.

The second major budget innovation is the creation of a special debt reduction fund made up of net GST revenues and monies from the privatization of Crown corporations.

In the budget the government indicates that it will cut the annual deficit down to $6.5 billion by the end of 1996 and do away altogether with the need to borrow on the financial markets by 1994.

Thanks to this so ably targeted action plan we can expect that, by 1995–96, the deficit will be down to less than 1 per cent of the gross national product compared to 4 per cent in 1990 and 9 per cent in 1984 when we inherited the disastrous results of the extravagances of the previous government members who seemed bent on spending as if money was going out of style.

When I talk about targeted action, Mr. Speaker, I am referring of course to the agreement between our Minister of Finance and the Governor of the Bank of Canada to bring the inflation rate down to 3 per cent by the end of 1992 and 2 per cent by 1995.

[*English*]

Let me remind all hon. members why we are taking these strong restraint measures. We are acting now in order to secure a better, more prosperous future. The key to improved living standards is continued increases in productivity. By restraining and reducing government's demand for borrowing, we can bring down interest rates and inflation. Lower interest rates encourage investment which in turn, will enhance our national productivity.

I want to comment on what my hon. colleague, the Minister of Finance, has called "the prosperity challenge". Countries all over the world, and Canada is no exception, are being forced to face up to rapid changes in the global economy, largely brought about by technological change. No country can afford to isolate itself from the global marketplace which is developing so quickly. To cut oneself off would clearly bring a terrible drop in a nation's standard of living. But to participate in the global market successfully, requires that a nation's

economy must be as productive and as effective as the best in the world.

For Canada, as for all countries, this means making many changes and adjustments so that we get the most out of our national assets and advantages. And the Canadian labour force is, I believe, the most important among all our national resources.

[*Translation*]

Mr. Speaker, I should like to quote from Chapter 7 of the budget document tabled in the House last Tuesday. It is entitled "Securing Canada's Prosperity: Building an Agenda for Long-term Growth in Living Standards". Under the heading "Better labour-management interaction" we can read this: "Even with the best technology and workforce skills in the world, our productivity performance would still depend fundamentally on how these are integrated in the work place. And that depends on management and workers".

Mr. Speaker, this essential fact must be appreciated at its real value. It stands to reason that we cannot achieve increased prosperity for every Canadian man and woman simply by implementing macro-economic policies designed to control inflation and keep interest rates down. We must also be concerned about the way we can work in association with others and the way we consult one another with respect to the definition of our economic goals.

Unfortunately the way human beings behave in their relations with others does not change as quickly as technology. In fact the attitudes, the human perceptions and the ways to communicate are probably the most difficult aspects to change for any one individual. Yet the significance and nature of these changes are vital.

As I see it, Mr. Speaker, the fact that we can work efficiently together and especially the fact that private sector workers and employers do manage to co-operate in harmony is the most essential aspect of our quest for future prosperity.

As a government our first task is to convince all Canadians that it has become imperative to control the deficit and to prove to them that all our energies and all our decisions will be aimed at that goal. I may have said this before, Mr. Speaker, but I want to emphasize the fact that this government must take whatever radical measures are required to lower interest rates, inflation and the national debt.

• (1740)

In conclusion, Mr. Speaker, I invite all Canadians to read the guidelines of this historical Budget, that marks the beginning of a new era for us, our children, and our grand-children, because, first of all, as we have shown since we were first elected in 1984, we have never sheened our responsibilities, knowing full well that in the immediate future some of our decisions would not be very popular.

Secondly, the Expenditure Control Plan included in the Budget, and which freezes at current levels the wages and salaries of the Prime Minister, Members of Parliament, senior executives and all federal public servants, as well as the operating budgets, is an example all public and private executives throughout Canada should follow.

Thirdly, all the hard work our government has been doing to get rid of the annual operating deficit and reduce the national debt will generate the lower interest rate and inflation rate essential to our economic recovery and general prosperity.

Fourthly, greater harmony between employees and employers is essential if we are to increase our labour productivity, which will give everyone the opportunity to benefit from our renewed prosperity.

In fact, Mr. Speaker, this Budget marks out very carefully the way for our economic future. It clearly indicates what traps to avoid and what goals to achieve.

We are on the right track, and all Canadians will benefit from this new Budget.

The Acting Speaker (M. Paproski): Questions and comments. The hon. member for Saint-Denis.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, thank you for your endless patience and courtesy.

I have a question for the minister who, as anyone familiar with the government's and the Conservative Party's organization chart, and especially the government's, would know, has the additional responsibility of

being the minister responsible for a substantial part of Quebec. Of course, being a member and a minister from East Montreal does, I imagine, entail certain responsibilities. In addition to being minister of this and that and the other, one is the minister responsible for East Montreal. Not West Montreal but East Montreal.

Could he perhaps inform the House whether he has any specific plans for dealing with the appalling situation so well described by the hon. member for Saint-Henri—Westmount in his speech on the Budget, when he said that there were more people unemployed in our city—because it is yours and mine, and also that of my good friend, my very good friend from Laval-Est who, I may say, did an excellent job in Rome. You see, all members have their non-partisan moments. He did a great job in Rome in connection with the return of Alitalia. I was there, so I can hardly say otherwise. It's true.

However, to get back to our subject, I want to ask you whether you have any specific plans for the economic recovery of this particular area which concerns us as members from East Montreal, where the situation is extremely bad, and I am referring to unemployment, housing, welfare and umemployment insurance? My office can't keep up with all the requests. I have never had this many, and I have been a member for 27 years.

Could the minister, besides talking about generalities and how important it is to control the deficit—we realize that is important—I know he is going to answer that the deficit was made by other people. Well, if it was, those people were judged by Canadians in 1984 and 1988. I think we should stop talking about that. The people passed judgment and said: You guys did the wrong thing so we are kicking you out. Go and do your homework. However, what I would like to know is whether you, as the minister responsible for East Montreal in this government, have any specific recovery plans so that once again Montrealers will feel proud of being part of a truly modern city?

Jean Marchand, a man who was such a wonderful example of what it meant to be a Quebecer in Ottawa, often said that Montreal was the economic heart of Quebec, unlike Ontario which has several industrial centres. However, in Quebec, if the engine is in trouble, the whole province suffers. So what can you tell us, what can you tell all those people who keep blaming you? I am afraid I must say that much of the blame is being laid at the right door. So I want to give you a chance to tell us what wonderful projects you have in store to encourage Montrealers who have always taken great pride in their city. I realize you are from Ville d'Anjou, but to all intents and purposes, that is Montreal, it is greater Montreal. When we talk about Montreal, that includes everyone, I imagine. Is there anything specific? We don't see anything. We are not very optimistic. We have to answer people when they ask us, and I don't like to tell people who call: Why don't you call Mr. Corbeil at number so and so. Call Mr. Weiner. I have tried to answer, but I have no answers. I say: Listen, you felt we weren't good enough to govern, so go and see them. Ask them. If you get a good answer, come and see me, but they haven't come back yet.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. minister has two minutes to reply to all of those wonderful questions.

[*Translation*]

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, I thank the hon. member for Saint-Denis for his question. The hon. member for Saint-Denis is well known for his witty and spirited eloquence. I must tell him that I am extremely proud to be part of this government which has taken concrete measures over the past seven years,—ever since it came to office in 1984—to strenghten the economy of Montreal-East.

Mr. Speaker, mention should be made that between 1980 and 1984, the four year period before the Conservative Progressive Party came to office the Island of Montreal had recorded net job losses of 4,000. Since the Progressive Conservative Party came to power, several tens of thousands of jobs have been created. We shall continue in that direction by creating an economic climate attractive to businesses and conducive to economic prosperity. However, Montrealers can be sure that our party will never behave the way the hon. member for Saint-Denis' party did when it squandered money away and caused the situation which exists today. I understand that he just cannot stand hearing about the aggregate deficit for which his party is responsible. If we are compelled today to take such stringent measures, it is because of the situation we inherited when Canadians removed them from power in 1984.

[*English*]

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Before I recognize the hon. member for Cochrane—Superior, I must advise the House that under Standing Order 74, we have completed the two hours and twenty-five minutes. All further speeches will be 10 minutes maximum with no questions or comments.

[*Translation*]

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, I appreciate the opportunity to speak on this budget and the estimates. I wish the Minister of Finance had presented last week a somewhat less stringent budget, especially in this time of recession. I suggest the moment was not right to present such a budget, the more so because Canada had experienced a very high rate of economic growth over the past five or six years. We could have then expected the Minister of Finance to present such a budget, but certainly not now.

In view of this high rate of economic growth and also the 33 tax increases, we must wonder where those dollars went? This recession which is due to the government's high interest rate policy is really hurting Canadians. I need only mention the number of bankruptcies which reached 54,000 last year, compared with 34,000 in 1982.

Let us talk also about unemployment. According to the Minister of Finance unemployment will reach 10 per cent in 1991 and 9.8 per cent in 1992.

• (1750)

Does this mean it will take another 18 months to get out of this terrible recession? We hope not.

Before he brought down his Budget, the Minister of Finance implied it would contain measures to help small businesses. We saw nothing of the kind in the Budget. I hoped to see the flow-through shares program renewed, since mining operations are down to 15 per cent of what they were five years ago. Just think, Mr. Speaker: It takes about eight years to develop a mine, from the day it is discovered to the day it becomes operational. Needless to say, in Northern Ontario we are very concerned about what will happen during the next 10 or 20 years.

Mr. Speaker, I also noticed that the Minister of Finance did not raise taxes for corporations, big companies and individuals with high salaries. When this government came to power, corporate taxes were at 13.5 per cent, while today, they are down to 9 per cent, which does not make sense, Mr. Speaker.

And let's talk for awhile about transfer payments to the provinces. During the next few years, we will be seeing cutbacks totalling $2.3 billion in transfer payments to the provinces, which will cause quite a stir in health care and education across Canada.

If people expect to get the same services they had before, they can also expect tax increases, both provincial and municipal. This means that the government has abdicated its responsibility, and that in the final instance, the taxpayer pays just the same.

I mentioned unemployment earlier. Unemployment insurance premiums will go up by 24 per cent next year, which means an additional $2.4 billion in revenue. At the same time, the Minister of Finance has cut $100 million in the budget for occupational training. I find it hard to see the logic in all this.

Occupational training is very important for Northern Ontario, because during the past 10 or 15 years, our young people have been leaving Northern Ontario in a steady stream towards the south, due to a lack of jobs. And what about our unemployed worker, 13 or 14 per cent, who would have liked to train for another job or go back to school or simply upgrade their skills. This $100 million cutback will affect us quite severely, and we find this extremely hard to take.

As far as housing is concerned, the government also intends to cut $35 million in programs for people on low incomes or people living very close to the poverty line. This cutback affects the neediest in our society, and I find it incredible that in a country as rich as Canada, there are still people who have to live in cabins without plumbing, and because of these cutbacks, when people ask for government assistance, they won't get it.

[*English*]

There is nothing in this budget to remedy the awful economic situation in northern Ontario. There are two main culprits: First, the export surtax on softwood lumber is killing the sawmill industry very dramatically. Second, mining exploration is down to 15 per cent in comparison to what it was five years ago. One only has to

remember that it takes eight years to develop a mine, from the day of its discovery to its first day of exploitation. Northern Ontarians do have reasons to be afraid for the future.

There is no program either for the industrial development of the infrastructure in order to attract businesses to northern Ontario.

To conclude, I could not finish my remarks without making reference to the natives who have to live in despicable living conditions. Housing is badly needed, and even then there are budget cuts. In some First Nation communities I have seen houses where there are 17 persons living there. In view of the fact that Indian self-government is in the works, there is nothing in this budget to spur economic development on reserves.

Miss Deborah Grey (Beaver River): Mr. Speaker, Canada is now in a recession. Although there are already indications that the recession is going to be deeper than was expected initially, all Canadians hope that this recession is indeed short.

Periods of recession should be the time to increase spending, in order to help those who are unemployed and suffering hardships, as well as to prepare the country for recovery. However, because of the lack of progress which the government has made in its seven years in office, there is very little room to manoeuvre without doing more harm to the economy.

It is, however, extremely unwise to consider the two events, that is, first the recession, and second our fiscal difficulties to be wholly unrelated. In my last year's budget critique, it will be remembered that I questioned the wisdom of using interest rates and monetary policy to combat inflation without co-ordinating them with fiscal policy.

I have repeatedly asked the finance minister to present information on the inflationary impact of his budget policies. The finance minister's failure to ensure that the government's fiscal policies are co-ordinated with its monetary policies, is incompetent at best.

The facts are evident, as I predicted last year. The use of monetary policy on its own was the equivalent of throwing water on the entire country to put out a fire, a fire which in part the government was itself stoking. In fact, the finance minister finally acknowledged this fact just this past weekend, saying that his tax reform proposals, while intended to make voters happy before an election, also fuelled inflation.

This year's budget attempts to lay the blame for the recession on inflation. However, inflation is not the big problem, which the government keeps saying it is. The big problem, as I stated last year, is that it is economically dangerous to deal with Canada's fiscal, monetary, interest rate, dollar trade and social policies as though they could be looked upon as mutually exclusive.

All of Canada's policies must be co-ordinated, to ensure that there is a coherent plan and that all government policies are working toward the same goal of strengthening Canada's economy.

During this government's term there have been changes to help ensure that Canada has the required economic vitality to enter the 21st century. At the same time, the government's policies of high levels of taxation, spending and borrowing, and the failure to deal with the long-run effects of borrowing approximately $30 billion annually, have affected domestic interest rates and the value of the Canadian dollar. These policies are working in fact at cross-purposes to our trade policies.

It is unfortunate that Canadians are seeing the negative and damaging effects of thinking that the government has a free trade policy, a social safety net policy, a fiscal and a monetary policy and that somehow each of these can be thought of and dealt with independently. The fact is that these policies are inter-related and trying to deal with them independently has helped to produce what has been called the first made-in-Canada recession.

The failure to get our fiscal house in order is seriously putting our economic strength, our international competitiveness, and even Canada's cherished social safety net programs at risk. Certainly a prime example of the lack of integration in government policy can be seen in its UI reforms under Bill C-21. We see that premiums are up 24.4 per cent this year to fund the increased payouts due to the recession. The increase in taxation will no doubt further hurt the competitiveness of employers whose cash flow and profitability are already hurt by the recession.

Of course the bottom line in this budget, even as we hear about the great cuts, even with $7 billion worth of additional revenues and $1.1 billion worth of cuts, the government is just managing to keep the lid on the deficit. Certainly the government has made steps in reducing the deficit. However, these steps needed to be taken much earlier.

• (1800)

I see, in fact, some of the initiatives announced in the budget are mirrored in Reform Party policy and my own statements. But even a mirror is only a reflection and certainly not the real thing.

For instance, I am glad to see the government has indicated its willingness to create a debt servicing and debt reduction fund, and also set legislative spending limits on itself. Several months ago I asked the government to set up a deficit and debt retirement fund when I announced my pay cut in September 1990.

These proposals are good initial steps to address the wish of the tax paying public that their tax dollars will be used to reduce the deficit and not to pay for new government programs prior to the next election.

However, now that the government has indicated its willingness to take these initial steps, I challenge the government to demonstrate its own sincere commitment by amending the Auditor General Act to require him to report on the impact of all new spending, including the incremental interest costs on the deficit. This will help to demonstrate that the government is willing to abide by its own spending commitments and not produce any new commitments.

The temptation to use any excess revenues for a good news agenda may well be tempting. I know already from my constituents that the remittances of the GST are improving the government's cash flow at the taxpayers' expense. Let that be enough of a benefit for the government.

Canada cannot afford another spending spree before the next election. Last year the finance minister predicted a $26.8 billion deficit for fiscal 1992. In 1989 the minister predicted a deficit of some $23 billion for this year, and in 1984, his first budget while in office, he predicted a deficit of approximately $10 billion by fiscal 1992. So we have a difference, a mistake or a discrepancy of $20 billion, and the debt is many billions of dollars higher than that.

I believe it to be self-evident that the government has for too long deviated from its course and should not again forget its way.

As I have said previously, the government should begin cutting at the top. However, a one year freeze in cabinet salaries and a cap on the growth in MPs' and senators' salaries is hardly a start or a major sacrifice, indeed not even a symbol.

Previously, I have called for cuts to the public service, in particular to the thick layers of middle management. When the Reform Party of Canada suggested a 10 to 15 per cent cut in this area, the government said it could not be done. The government had "cut to the bone already", it said. But now it is possible to cut 10 per cent in this budget. People would ask why.

Because, as with each time the government cuts—whether it is to sell the GST at seven per cent in December 1989, find $350 million to fight the war in the gulf in the fall of 1990, or now in the winter of 1991 to try to regain its supporters and credibility at home and abroad—it is not to reduce unnecessary and wasteful spending, but rather to meet the current crisis facing the country and the government.

That is the key to understanding this government's record on deficit reduction. Unfortunately, it has much more to do with crisis than with commitment.

I want to point out that a dollar that could have been cut in 1984, but which the government did not feel compelled to cut back then, has added approximately $10.40 to our national debt. That is $7 in principal and $3.40 in interest. That is the result of not taking the deficit and unnecessary spending seriously and the effect of not acting sooner. This fact, no doubt, inspired the Prime Minister to admit recently before a group of students, and I quote:

> I do not want to suggest we could not have done more, because we could have done more—Had we done more earlier, our problems would be less, there is no doubt about it.

Commitment would have reduced the deficit in 1984; crisis reduces it now. Why has it taken seven years for government backbenchers to demand that their government cut wasteful spending?

Finally, I have concerns about the government further cutting conditional transfers to the provinces. The government maintains its own pet programs instead of cutting them and saving money, while it passes taxation on to the provinces. But, by cutting back funding to the provinces while indicating that the federal government will not only continue, but increase legislating in areas of

provincial jurisdiction, the government is heading toward a constitutional crisis which clearly neither the government nor the country can afford.

The government may claim that its current unpopularity is the result of making tough decisions. I claim, however, that for the most part the government has not planned these tough decisions, but rather they were thrust upon them by economic events dictating change, the result of having no long-term economic plan for Canada beyond the last election.

A journalist asked me recently how I would rate this budget on a scale of one to ten. I thought for a moment and said that I would give it a five. My snap judgement appeared to be right.

This budget is average. But unfortunately, an average budget is exactly what the government has given Canada for far too long.

For this reason, this budget critique is a eulogy for a government which has waited too long and only done the bare minimum in once again just holding the line. It has done that for seven years; held the line at about a $30 billion deficit. This was hardly enough, and we see the consequences of it now. The country and the government have only to ask what went wrong for seven years. Perhaps five years ago it would have been a good budget, but not now.

Unfortunately, it is too little because it is too late.

In conclusion, this is a budget which tries to win back to a government its supporters in the domestic and international communities and to raise its sagging popularity with the Canadian people. Canadians are looking at it and feeling a great sense of remorse and a feeling of eulogizing for this government.

Mr. Jim Peterson (Willowdale): Mr. Speaker, I am pleased to rise to comment on the government's recent economic initiatives. The budget of the finance minister is an incredible disappointment to all those in Canada who had hoped that he would deal with the real substance of the issue of Canadian competitiveness.

The minister has at last acknowledged that the deficit is a problem, and it is indeed when our national debt exceeds $400 billion. But what has he offered us? He has offered us simply the promise that in the future he will be able to deal with it. But Canadians realize that we are not going to be able to tax our way out of the deficit; we are already overtaxed. And we are not going to be able simply to cut our way out of the deficit. The government has already slashed all sorts of programs and we have seen that it has had no impact on the deficit. It is still far above levels that he predicted years ago, levels he predicted even one year ago.

We cannot tax our way out of the deficit. We cannot cut our way out of the deficit. There is only one solution: we have to earn our way out.

The problem we face is that in his last budget the minister has denied to Canadian industry some of the tools that they used to have in terms of dealing with competitiveness. This is a government that has cut transfers for educational training, has put a cap on funding for export development and promotion, and has put a cap on science and technology. This government is denying to our industries some of the tools which they need to be competitive. As a result, in the last two years, the two years since free trade, Canada has lost 229,000, or fully 11 per cent, of all of our manufacturing jobs. This is a government that is presiding over the deindustrialization of Canada.

At the heart of this problem is a government which is not prepared to assume its proper role in the wealth creation process in Canada. At the heart of our economic dilemma we find a paradox, the paradox being a government that is not prepared to act like a government. It is a government that refuses to play the role that only governments can play, and which is played by every one of our major competitors, in terms of helping industries and working with industries to make them globally competitive.

I am not calling for a government imposed strategy. Rather, what is critical is that the government assume its proper role and bring to the wealth creation process the tools which only governments can bring.

It is easy to criticize this government for its record on many accounts, but I leave that up to others today. Rather, I seek to suggest to this House that there are positive ways in which we can proceed to get around the problem of competitiveness, a problem of declining competitiveness, which our finance minister has recognized but which he has refused to deal with in any

fundamental way. Let me suggest what some of these routes might be.

• (1810)

First, we need an entirely new spirit of co–operation in Canada. It is a long time gone. When we could have management fighting labour, fighting educators, fighting financiers, we are going to need the co–operation of all sectors of our economy working in harmony and working in harmony toward common goals.

Second, and I know this is going to sound anathema to some of my Conservative colleagues in this House, we are going to have to plan for our economic future.

Government must be able to bring the key players to the table to discuss what our future can be in five, ten and twenty–five years down the road and to plan for that future. If we do not plan for it, surely it is the ultimate naivety and surely it will not come about. Our competitors plan and even businesses plan for their long–term futures.

Third, I suggest that we cannot be the best at everything in the world because no nation is. We are going to have to build on the strengths that we have already in Canada. I suggest this involves industry such as transportation, communications, and a number of others which we all know, making abundant use of our primary resources, because it is such a squandering of our given wealth to sell those goods away to other countries without adding value to them here in Canada and creating the jobs here rather than having the jobs exported to other nations.

We are going to have to look at some of the industries of the future: biotechnology, specialty metals, many of these.

Fourth, we are going to have to concentrate on our human resources. We cannot have a strong economic future without having the best trained and best educated people. We need more scientists, more engineers, and fewer lawyers.

Fifth is research and development, science and technology. Under this government, R and D spending has fallen from 1.42 per cent to 1.28 per cent of our GDP. It is going in the wrong direction. This can be reversed. Why did they cap science and technology spending in this budget?

Sixth is foreign control. As long as more and more of our Canadian industries fall into foreign hands, we are not going to enjoy the benefits in Canada or the repatriation of profits of the R and D being done here, of the best jobs being in Canada. Besides, we are losing control over our own economic destiny.

Seventh is the monetary policy. Surely we cannot trust a finance minister who has promised us for many years that he will get interest rates down, that he will curb inflation, that he will get the deficit down, and rely on those promises that he is going to do it in the future. He has destroyed all his credibility. I hope he can do it, but for this year alone in his budget he has promised us interest rates just slightly below what they are today, 9.5 per cent. The Americans, against whom we are competing, have interest rates which are almost four points lower than Canada. We have got to get our dollar down to a level that reflects our labour productivity in manufacturing.

Eighth, in terms of infrastructure, for over a century and a quarter that Canada has benefited from its unique mix of public sector—private sector involvement in our economy. The building of canals, of railroads, of the Trans–Canada Highway, of the CBC, of national airlines and of aerospace industries has not come about by market forces or chance.

In summary, whether we like it or not, our competitiveness and our ability to create wealth in the future is dependent upon a government with a philosophy which says that we have a critical role to play in the wealth creation process in Canada.

We have a key role, the role of bringing the players together, of helping set plans, of producing the infrastructure, the educated, trained people, the research and development, the science and technology culture.

I am afraid that if the government does not learn to assume its proper role in the economy of the future that economy will not be ours.

As more and more jobs leave Canada and move south of the border so do the hopes of a whole generation of young Canadians. The bright light at the end of the tunnel is that there is another and better way to deal with our economic challenges but it requires a government prepared to assume its proper role.

The Acting Speaker (Mr. Paproski): I would just like to bring to the attention of the hon. member for Chambly that we are now in the period of 10-minute debate with no questions or comments. The hon. member for Ontario has the floor for debate.

Mr. René Soetens (Ontario): Mr. Speaker, I do appreciate this opportunity to participate in this debate and I do have to commend the hon. member for Willowdale for what I think are some very appropriate comments. Maybe later on in my speech I will try to respond to some of those because I think he made some very valuable suggestions that maybe I can respond to in due course.

But before I do I would like to make some other comments on this borrowing bill, the fact that we need to borrow money, and I think the place to start is probably by an article that I read in *The Globe and Mail* on February 28. It relates to a speech that the premier of New Brunswick gave while he was in Toronto on a government mission. I would like to quote a paragraph from it: "Governments must conduct themselves like private citizens, borrow if necessary for capital assets such as a new home, but pay as you go for current expenditures like the groceries".

That was from Premier McKenna of New Brunswick. Further on in the article he went on to say: "The leaders of the 1960s and 1970s have placed a first mortgage on the future of Canada. The leaders of the 1980s and 1990s are placing a second mortgage on the same asset. There is no equity left. We must once and for all put an end to the suffocating debt load we are placing on the backs of our children".

Very interesting comments from a Liberal premier in this country because it certainly reflects a different view than we have heard in this House during the debates that we are presently involved in dealing with this budget and the borrowing requirements that emanate from it.

The reason I am pleased to participate in this debate is because of the very clear things that the Government of Canada is doing in trying to deal with the problems of debt and the circumstances that come from it.

I would like to explain why. I happen to represent the riding of Ontario. In my constituency, as I am sure happens in many other parts of Canada, the question is "what are we getting for all this money that we are paying and for all this money that we are spending".

I can understand fully why my constituents feel that they are not getting value for money. When they know the government is spending 35 cents of every dollar on interest, they know full well they are not getting a dollar's worth of value for the dollar in taxes they are paying.

For example I have here the most recent statistics that relate to income tax paid by my constituents. This is personal income tax. In the town of Pickering in 1987 my constituents paid $213 million in federal income tax. In 1988 they paid $248 million in federal income tax. And they can say: "What did we get for that $35 million more in income tax that we paid?"

One thing we know we did get—we got a debt that went up. We got a deficit that did not come down, and we did not get very many new programs, but we did get an awful lot of people screaming about the fact that some of the programs they wanted were being cut, et cetera.

I can tell you that the people of Pickering object to paying an extra $35 million. The people of Whitby increased the taxes they pay from $181 million in 1987 to $217 million in 1988. Obviously with inflation that number went up again in 1989 and in 1990. So the people of Whitby can say; well, what did we get for that extra $39 million? They have every right to ask that question, and have every right to be disappointed when they can say that all they got for it was an increase in the debt, no reduction in the deficit, with those appropriate spending increases.

• (1820)

Similarly, in the town of Ajax the same scenario happened, where they paid an extra $23 million in income tax, and yet all they got for it was an increase in the national debt.

So, this budget deals very clearly with an issue that is important to us all. The issue is, as Mr. McKenna rightfully points out, that we cannot leave this debt to our children to pay.

So, how have we decided to address it? Certainly in this budget one of the very clear things we have done is we have put a cap on spending. I happened to listen to the member from Beaver River a little while back who was saying that this budget rates a five out of ten, and she was very critical of the fact that there were cuts made today that should have been made maybe three or four

years ago. Well, like her, I am a reasonably new member of Parliament and I like to participate in what I think are appropriate cuts. I listened to her speech and all I heard her say was that we did not cut enough. Last year when I listened to her I heard her say that we did not cut enough but she did not have suggestions of what should be cut; but she did complain about some of the things that were cut in her part of Canada that she did not agree with.

We all have to look at it now. We have to come up with some very concrete suggestions, we also have to come up with methods of getting ourselves off this debt treadmill. Very clearly, because of the way the government spends money, the best way to get ourselves off this debt treadmill is to increase the over-all revenues—not by increasing the tax rate, as our friends in the NDP would have us do, not by spending more money, as our friends in both the NDP and the Liberal Party would have us do, but by increasing the wealth of Canada.

That is why I was kind of pleased to see the member for Willowdale talk about how we could increase the wealth of Canada.

I understand we are in a recession today. My riding, like every other riding in Canada, is experiencing that. It is not very comfortable when you talk to people who have, for one reason or another, been laid off or lost their job; these are difficult times. But so that there should be no doubt about the fact that spending does not solve the problem, if we go back to 1981–82, the Liberal Party, the government of the day, spent, spent, spent, and raised the deficit tremendously.

If spending is the cure, then in Ontario we should today be riding the biggest boom that could possibly exist in Canada, because for the last five years the Government of Ontario has done a bigger job of spending than the federal government did when they were last in government with the Liberal Party in 1981–82. The fact of the matter is that we suffer the recession in Ontario, even though we have the biggest spending government that ever existed in Canada, right in the province of Ontario—and we have not even got a budget from the NDP yet.

So, we will certainly see how to spend money, and it is certainly proven that that is not the answer.

The answer is to create wealth by reducing the inflation rate, by reducing the over-all impact of government in the economy, and by making sure that the money the governments gets in its revenue is put towards the debt and the deficit.

In our budget we have done that. We have established an expenditure control program to control how government spends money; we have put in place a mandatory spending limit on the government so that it cannot create new and wonderful programs; and third, we have made sure that all the revenue from GST goes to reducing the debt, exactly what Canadians want and ask for.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I listened to my colleague with great interest. However, what our colleague the Minister of Labour said in support of the federal budget seems of greater interest as former mayor of Ville d'Anjou, and as a Quebecer. I find that the budget the hon. Minister of Finance tabled is one that can be described as full of inconsistencies, thoughtless and showing incompetence. Those are not my words, mind you. They are from *Le Devoir*.

I find rather incredible to hear the Minister of Labour, a Quebecer, speak in support of a budget which, based on the information I have here and with the freeze on the transfer payments to the provinces, will affect mostly Quebec, particularly in the fields of health and postsecondary education. According to the Quebec Minister of Finance, Mr. Speaker, it is $732 million that we will loose over the next three years.

I hope that the Minister of Labour heard me, because he was suggesting that a budget stealing— I am sorry, Mr. Speaker, but that is the right word, "stealing" $732 million from the province of Quebec, and we have a Quebecer defending this Budget. I find that hard to take. I find that very hard to take, even if they don't agree, all these people on the other side, the Tory defenders of the rights of Quebecers: the right to be poor!

Another interesting point is that according to the same Minister of Finance, the Wilson Budget will cut about $153 million for the 1992–93 fiscal year alone. And who is that going to affect?

An hon. member: Not the NDP?

Mr. Edmonston: No. It is going to affect everybody. Oh, sure, the NDP too. How? But the NDP represents everybody! We represent Quebecers, we represent the people from western Canada and the people from Ontario. Even the Ontario Government will be affected. I am going to try and get the attention of the former Minister of Labour, because I find it very interesting that a former mayor of Ville d'Anjou would agree with Mr. Wilson's Budget, when he knows perfectly well that every single municipality in Quebec will have to pay the bill, because the federal bill is being sent to the province and the province is going to send it to the municipalities. And all the mayors of Quebec's municipalities are up in arms. They are mad as hell at the government. And I don't blame them. I don't blame Marcel Dulude, the mayor of Saint-Bruno, who complained about these cutbacks which mean he will have to spend more and more money on public transit.

So if we can't pay the federal bill and we can't pay the provincial bill, we can't put all this right on the backs of the taxpayers, but that is what is happening.

I would like to talk about this Budget in connection with the Minister of Labour, because in fact, I can't see how, as Minister of Labour, he can defend a budget that caps wage increases in the public sector at 3 per cent. I would like to quote from an editorial in *Le Devoir* which says that Ottawa's fight against the astronomical deficit and inflation means that all governments must co-operate very closely. Co-operation, not the confrontation we have today.

We heard the Minister of National Health and Welfare, who said: Come on, we are not going to kill health insurance. We are not going to do that. And then we heard the Quebec Minister of Health, Mr. Côté, who said: It most certainly will kill health care— So I fail to understand how a Minister of Labour can say that wages of public servants should be capped, when he knows perfectly well that as mayor of Ville d'Anjou he would never have dared to freeze his employees' salaries at 3 per cent. But he is a minister now, so he can preach what he never practiced. I think that is incredible. Especially at a time when we have a government in Quebec that will never take the advice of the Tory government, which is saying: Now listen, we capped at 3 per cent so you do the same in Quebec. Come on! We have a little more compassion. We can't let the Public Service bear the brunt of the recession. That is just not right! I can understand that the Minister of Labour has to stand by the government, but I was expecting him to display a touch more courage.

• (1830)

In closing, Mr. Speaker—I will conclude quickly, believe it or not, because time is running out—I was looking for the best way to illustrate tonight the iniquities and ill effects of the Wilson budget. What would the best illustration be?

Mr. Ricard: This is the best Budget!

Mr. Edmonston: Let me explain.

I have some change here in my hand. In 1950, the taxpayers share of each tax dollar—the taxpayer, that is you and me, Mr. Speaker—was 49 cents. The corporations were paying the other 51 cents. That was pretty good, 49 versus 51!

Today, I have to pay as a taxpayer 25, 50, 75 and 85 cents on each dollar collected by the federal government, while corporations are paying only 10, 11, 12, 13, 14 and 15 cents.

Mr. Speaker, the fact of the matter is that that ratio is now 85 cents for the taxpayers versus 15 cents for the corporations.

Mr. Ricard: Mr. Speaker, I don't want to interrupt my colleague because he seems to be making a good speech, but is it permitted under the parliamentary rules to use objects in order to illustrate one's remarks?

[*English*]

The Acting Speaker (Mr. Paproski): I cannot see from this distance whether he is using money or he was just saying it. If he is, I wish he would not do it. The hon. member for Chambly.

[*Translation*]

Mr. Edmonston: Mr. Speaker, I will put my money away before the Governement takes it, since it needs money. I will put my money back in my pocket, because I know that as long as Parliament sits, it won't be safe. So I take it that my colleague wanted to remind me that it could be dangerous to show my money, here, in the House of Commons. I promise that I won't do it again, because I understand the Government is hungry and that I could induce a kind of feeding frenzy. I don't want to tempt it this way.

More seriously, to conclude, I believe that these people must really have a lot of nerves to tell us such nonsense. They tell us it is the best budget for us, Quebecers. When I hear that, Mr. Speaker, and coming from peoples who told us: "You should elect us Conservatives in Quebec for it is we who will defend your interests", I think it is really going too far.

[*English*]

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I appreciate having the opportunity to rise and participate in the debate on Bill C–97, the borrowing authority legislation. This bill is before the House as part of the legislation flowing from the budget speech delivered last week by my esteemed colleague, the Hon. Michael Wilson, Minister of Finance.

Before I delve into the main part of my presentation, I would briefly like to cover the main highlights of the budget.

All the money from the GST will be used to reduce the deficit and then to pay down the federal debt: no new taxes for new spending for five years, ceilings will be put on federal spending and guaranteed by a new law. this is a first. Wages of MPs, cabinet ministers, the Prime Minister and civil servants are being tightly constrained and I am quite sure that the Canadian public will jump for joy at that particular item in the budget.

Transfer payments to the provinces will be limited. There will be no federal money for the ballet opera house in Toronto, a saving of some $88 million.

There will be no money now for the proposed $45 million cultural centre in Montreal, and I know that will be widely acclaimed by most Canadians. There will be spending cuts of $15 billion spread over the next five years.

Hundreds of millions of dollars in grants and contributions to special interest groups and businesses are being cut. Inflation and interest rates will fall. The deficit this year and next year will be $30.5 billion, dropping to $6.5 billion by 1994. There will be new assistance for the disabled.

Civil servant wage increases are being capped at 3 per cent, and there will be a possible elimination of 6,000 more public servant jobs. There will be a 10 per cent cut in the number of executives in the government.

The government will attempt to create a partnership of all levels of government to deal with the rising costs of governments and attack unnecessary overlap and duplication.

The budget's priority is action to create the essential conditions for economic recovery. As a responsible government, we have chosen not to increase spending. Frankly, history has shown that throwing money at a problem or situation does not work.

My hon. friends across the floor on the Liberal benches would be more aware of that fact than any of us. After all, successive Liberal governments measured problem solving by how many of the taxpayers' dollars could be expended at any given time.

It was a practice that burdened the Canadian people with a $38.4 billion deficit in the last year of the Liberal regime in 1984, just before we came into office and formed the government. It is a practice that the February 26 budget is designed to remedy once and for all. In fact, for the first time in Canadian history, Ottawa is actually going to pass a law which puts ceilings on how much politicians can spend.

However, it should be noted that regardless of what the opposition parties tell the people, we are not a heartless government. Spending for the unemployed in the budget has been increased by $3 billion, by $1.6 billion for senior citizens, $1.3 billion for farmers in difficulty and another $600 million for our Department of National Defence.

Since being elected in 1984, our government has waged a long and determined battle to restore health to Canada's finances and stop the debt from dragging down the economy. In the 1990 budget, the government set out a medium–term fiscal plan to sharply reduce the deficit and curtail new government borrowing in financial markets by 1994 and 1995. The February 26 budget reaffirms the plan and introduces a program of expenditure control.

We have seen how living beyond our country's means can lead to a growing burden of public debt. In 1984, the federal government was handing out $1.33 in programs and services for every dollar it collected. That was certainly no bargain.

Today, our public debt is forecast to reach the staggering sum of $400 billion by mid-year, about $15,000 for every man, woman and child in Canada. The interest alone on the debt will eat up more than $43 million next year, more than we spend on Old Age Security, unemployment insurance and family allowances combined.

• (1840)

In the February 26 budget the government has asked Canadians to share the burden of further fiscal restraint. As a government we recognize the sacrifices that many Canadians have already made in the name of restraint. We know there is reluctance to accept the necessity for more of the same. But as bitter as the pill seems, if we took no steps to deal with this worsening fiscal situation, the deficit would be much higher than forecast over the next five years and an additional $25 billion would be added to the public debt.

I do not believe for one minute that Canadians really want to continue on a path which not only mortgages their future, but the future of subsequent generations. In the budget the government has taken the tough responsible decisions necessary to ensure Canada's finances become healthy again.

The government's plan for economic recovery seeks to ensure spending control that will help put government finances firmly on the course to a balanced budget. In fact, the 1991 budget includes measures providing Canadians with added assurance that these targets will be met. In a significant change that alters the way government manages its expenditures, it is my understanding that draft legislation will be released shortly which will impose mandatory limits on annual program spending for the next five years. The budget's program spending control measures will be enforced by law. Flexibility will be confined to a very limited set of contingencies set out in the legislation. Although the legislation will not preclude new programs to meet new needs, the government will fund new programs from within the total legislated spending ceiling of roughly 3 per cent per year.

The government will also introduce legislation to set up a debt servicing and reduction fund. The fund will receive the net revenues from the goods and services tax, net proceeds from privatization and earmarked contributions for debt reductions from individuals or businesses. These revenues will be applied first against the cost of servicing the debt and as they grow over time they will be used to reduce the outstanding debt.

In combination with the proposed annual spending limits, this fund will provide assurance that all revenues from the GST will be used to service and reduce the debt and not to fund new program spending. The effort to reduce spending and the deficit is being reinforced by the government's decision to set clear inflation targets. These targets will serve as realistic goals to encourage lower inflationary expectations by all sectors of our economy: consumers, business, labour, investors and all levels of government. This will help us work together to better control the price and wage pressures that push inflation higher for us all.

There can be no denying the direct link between inflation and interest rates. Our economic history proves it. During the 1950s and 1960s, when inflation was low, averaging less than 3 per cent a year, interest rates were low also. When inflation surged in the 1970s interest rates also soared.

The rewards of lower inflation are clear and concrete. Interest rates will drop, economic productivity and competitiveness will increase, our standard of living will rise, and social fairness will be enhanced. The result will be a strong, more prosperous country that can ensure its place as an economic world leader.

Through the plan for economic recovery contained in the budget, the federal government is taking action to establish fiscal stability and strengthen confidence in Canada's future. By reducing the deficit and controlling the public debt, the plan will help set the stage for improved economic performance and increased prosperity. I believe the plan will result in a better balance between fiscal and monetary policy, and will provide the lower interest rates and greater confidence that will fuel our economic recovery.

With all this in mind, let me mention that Bill C-97 requests borrowing authority in the amount of $28.4 billion. While this is a very large amount, it is important to remember that without the strong measures contained in the budget, it would be some $4 billion to $5 billion larger.

I am pleased to support this bill on behalf of the government.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, we are in a full—need I emphasize it—made in Canada recession, which is a world first. As a rule, we are dependent on the United States. The main motor of this recession is the same minister who presented this Budget, a budget detrimental to Quebec. Let us talk about the whole interest rate policy which is geared to Ontario.

In 1988–89, Ontario's inflation rate increased at nearly twice that of Quebec, 1.1 per cent compared with 0.5 per cent. The hourly rate of pay fell by 0.8 per cent in Quebec while it increased by 1 per cent in Ontario. Because of this horse remedy, Quebec lost 126,000 jobs and the level of employment returned to what it was in 1988. At 14.1 per cent, the City of Montreal has an employment rate higher than St. John's, Newfoundland.

Mr. Speaker, I feel that economically, Quebec is paying very dearly for belonging to Canada. And what are we told now? Against all expectations in this period of recession, we are faced with tax increases; an increase of 24.5 per cent in the premiums employees and employers will have to pay to the Unemployment Insurance Fund from which the federal government withdrew its contribution; $1.4 billion in new taxes on tobacco, that is, 75 cents on every pack.

In my own riding, the main employer is Macdonald, so that this tax may very well result in a great many job losses. This is a regressive tax which attacks rich and poor equally as though they had the same incomes, which is preposterous.

These cuts will also affect social housing programs. The 15 per cent cut in 1991–92 will mean a $32 million reduction this year, a $71 million reduction in 1992–93 and, all in all, some $411 million over the next five years. As far as the sharing of resources is concerned, if Quebec received some 23 per cent of the budget for social housing, this would mean a loss of $94.5 million over five years. In other words, a loss of 7,480 housing units by 1995.

This is the kind of thing this government is doing, while it can afford to spend for the effort $950 million. There will be also a $100 million cut in the Canadian Jobs Strategy. It is unbelievable! Cuts in Unemployment Insurance Benefits; cuts in the variable entrance requirements; cuts in the number of paid weeks, under the pretense of spending that money on job training. But there are cuts there too!

Furthermore, we should remember that some agreements signed with Quebec which come to an end on March 31 have not yet been renewed. This is important, for in Quebec, everybody agrees, including the *Conseil du Patronat*, the unions, the municipalities, the Quebec government, the cooperative movement unanimously agree that the Federal Government not only does not spend enough in job training, but that the friends being paid are mismanaged and that all these powers should go to Qubec. There is a consensus on that.

• (1850)

On top of that, Mr. Wilson will ask civil servants for additional sacrifices. Their salary increases will be frozen at 3 per cent but nothing was done to the 100 000 $ capital gains tax exemption. The Minister of Finance would not want to hurt his friends.

In conclusion, I feel that Quebec should get out of this system. This year, the Federal system will increase Quebecers's debt by $7.6 billion. The Quebec Minister of Finance said there will be a $732 million shortfall over the next three years. Not only is this system ruining us, Mr. Speaker, but it even uses our money to promote Canadian unity, spending $27.5 million to support the Spicer Commission's efforts to indoctrinate elementary school children. As a Quebec woman put it this morning on a television program: Only nurseries and cemeteries are left. Not for long, I would say with such people as the Minister of Finance and the incomparable Benoît Bouchard.

The Centre for Canadian Unity promises us the same thing. Although Mr. Mulroney had promised never to do this kind of thing again, he is doing exactly what Mr. Trudeau had done in the past.

I conclude by saying that this government of irresponsible and incompet people will spend between $400,000 and $500,000 tomorrow to satisfy the whims of some nincompoops who want to move to another office. Imagine, the government will spend nearly half a million dollars to please them while at the same time, cutting back on many social programs.

Mr. Speaker, I suggest this is a fairly good picture of this government. When the time comes, Quebec men and women will make a decision not only on the federal system, but also on these people who are here supposedly to defend Quebec's interests but who in fact are but

the lackeys of anglophone ministers and are no longer of any use to Quebec men and women, or anybody else in Canada for that matter!

[*English*]

Mr. George S. Rideout (Moncton): Mr. Speaker, it is a pleasure to rise and have an opportunity to speak in the debate this evening.

I think it is fair to say that Canadians recognize and realize that we have to grapple with the deficit, and that they realize that we have to grapple and renegotiate a new social contract with all Canadians. The problem is that Canadians have lost faith in this government and have lost faith in the ability of the government to handle the deficit. They are concerned because of the government's blatant politicizing of fundamental matters related to this country.

Make no mistake, this is more than a budget or a financial statement; it is a political statement of this government's view of Canada.

It is interesting to note some of the comments that have been made over the last four or five years by the Minister of Finance. In the budget for 1985–86, the Minister of Finance forecast that the deficit for 1990–91 would be $18 billion. Even last year he forecast that it would be $28.5 billion. We all know that it is going to be $30.5 billion. Last year the Minister of Finance forecast employment growth at 1.2 per cent, and now he tells us that it will shrink by 1.5 per cent. He forecast that unemployment rates would be at 8.5 per cent, and now he expects unemployment to be at 10 per cent.

This government promises jobs, jobs, jobs, with more than 1.3 million Canadians unemployed as I stand here in the House tonight. Is it any wonder that people become cynical when they hear these numbers.

In my own province, more than one out of every ten New Brunswickers is unemployed, and they are upset, for obvious reasons. To make things worse were the comments of the Minister of Fisheries in recent articles in *The Telegraph Journal* that, as far as he was concerned, the province of New Brunswick owed the federal government $52 million. Then he turned around two days later and said that he had made a mistake, that the province really did not owe any money at all, and took back his comments.

But *The Telegraph Journal* really captured the minister's callous attitude in its editorial, which I will quote.

"But there was also a perception that the federal Minister"—that is the Minister of Fisheries—"was all but rubbing his hands in glee at the problem a $52 million debt would cause Mr. Maher"—the Minister of Finance for the Province of New Brunswick.

The problem, of course, would not have been so much for Mr. Maher, but more seriously for the people of New Brunswick.

That is the attitude of this government. Because it is implicit in the minister's statement and in the conduct of this government that it is all right to pass the burden on to the provinces; it is all right to create different classes of Canadians; it is all right to have different educational standards for Canadian children; it is all right to have different levels of opportunities for Canadians.

Well, it may be all right for the Minister of Finance and it may be all right for the Minister of Fisheries, and it may be all right for the government, but it is certainly not all right for Canadians.

This budget will create different levels of health care in the country. It will create different levels of post-secondary education. It will make our universities and hospitals handicapped institutions as they try to grapple with the new medical and educational crises and opportunities that they will face.

The regions that can pay will have better health and education systems, and the regions that cannot pay will have to do without.

The budget has divided up federal powers. We are seeing a view of Canada in this budget, and it is something like the Allaire report coming out of Quebec. We can now see where the government places its burdens and responsibilities and, quite frankly, the burden has been passed to the provinces which is going to create regional government rather than a strong central government.

It is a sneaky budget, too. When people are waiting for a hospital bed, sitting in the out-patients department, waiting to get into university, or any of those sorts of things, they are not going to blame the federal government, they are going to blame the hospital, or the institution, or the provincial government, or a municipal government. That is why there is a sneaky side to this particular budget; it is a transfer of power, it is a transfer

of responsibility, and it is a transfer, in some cases, to provinces that can ill afford and do not have the resources to handle what will be handed to them.

The government says that the budget addresses two major issues or crises, the recession and national unity. Well, I would go one step further and say that the budget exacerbates the recession and contributes to the divisions within the country.

The cuts to education, training, research and development, hit the nation at a time when we must compete and create economic growth in the disadvantaged regions of this country. Those regions that are disadvantaged are trying to pull themselves up by their bootstraps and now they are not going to have the opportunities that other parts of the country have.

Moncton, New Brunswick, Nova Scotia, all those communities and provinces, want to be "have" provinces, want to invest in education, want to invest in their children, want to see positive things happen in their communities. This budget will eliminate, or at least curtail, those opportunities to citizens in the less advantaged regions.

The changes to unemployment insurance is another area where an added burden is going to be placed on the businessman, the small businessman at that, as well as the employee. The increase is upward of 15 to 24 per cent, as far as premium costs are concerned, and this will place additional pressures on the small business concerns in disadvantaged areas like the maritime provinces or the west.

The final hypocrisy, in my view, is to claim that a 20 per cent cut in the environmental budget is not a cut at all. We know full well that it is a cut and that it is a savaging of the environment budget. This makes it difficult for the environmental programs to function properly do the job that we all want to see done with respect to the environment.

In conclusion this budget is a sneaky budget. It passes on to the other levels of government the Mulroney government's failure to deal with its economic problems and its failure to come to grips with the deficit. In a time when we had such great success and rapid economic growth over the last five or six years, a time when this government could have done something, it squandered away that opportunity and now we are faced with even further problems.

• (1900)

The government's solution is to say: "Hey, it is not our fault. We are going to wipe our hands clean, and we are going to pass this responsibility on to the provinces and on to the poorer regions of this country". The Conservatives made this made–in–Canada recession and they are adding to the suffering of many Canadians, particularly in the Atlantic region. Now they are going to add even more. It is a sneaky budget. It is a bad budget, and it should be a defeated budget.

[*Translation*]

Mrs. Shirley Maheu (Saint–Laurent—Cartierville): Mr. Speaker, we are witnessing an economic disaster in Canada. The Minister of Finance has declared war to the provinces and it will be fought on the backs of the people. The minister keeps passing the federal fiscal problems on to the provinces instead of dealing with them, and all the Canadian people will have to pay for that.

[*English*]

This budget continues the Conservative's shameful dismantling of national symbols and programs. Once again the Tories have slashed transfer payments to the provinces in real dollars through a freeze on EPF.

Many people are not clear on how cuts in transfer payments will affect them. They are confused on the linkage between federal money to provinces and essential services such as education and health care. People must realize that when the Conservatives cut transfer payments, they cut beds from hospitals in Montreal. When they cut transfer payments, they lower the standard of education in our universities. Let us not be fooled by this government and this minister again.

The public has a right to know how this will affect their everyday lives. They have a right to know how this government has abandoned any notion of fairness and equity and has abandoned any hope of a compassionate and caring Canada.

[*Translation*]

The Mulroney government is ruining the Canadian health care system. Transfert payments for health and education were cut by $2.3 billion. Unless the provinces can manage to pay the costs, all the Minister of Finance has to offer is weakened and therefore inappropriate

health care services. Again, we are faced with broken promises. We are witnessing the destruction of the most basic of things, things which characterize us as a nation and enable us to grow.

The Quebec Minister of Finance, Mr. Gérard-D. Levesque, said that the federal budget puts a heavy load on the government of Quebec by increasing its loss of revenues by $732 million for the next three years. And who will pay for that? The Minister of Finance and his friend the Prime Minister perhaps? How will the Mulroney government create jobs while, at the same time, cutting $100 million in the Canadian Job Strategy program?

Based on the government's own figures, the rate of unemployment will exceed 10 per cent nationally this year. Can the minister tell us how and when these unemployed can hope to go back to work if he is not seriously considering creating new jobs and strenghtening the economy?

I wonder if the minister could explain what strategy he has in mind for Quebec, where the unemployment rate is presently 12 per cent?

Mr. Speaker, another big promise made by this government was to increase Canada's competitiveness in the global environment. Did they keep their promise and, more importantly, do they intend to keep it?

If the Mulroney government wants Canada to grow and become world-class, it must give the country the tools to achieve this objective and not deprive it of its capacities as soon as the costs rise. Development requires investment.

Mr. Speaker, if I do not sound very optimistic, blame it on this less than encouraging budget.

[*English*]

At this point I would like to quote a few Canadians who do not necessarily approve of this new budget. So the message to the minister just might sink in. I quote:

> The federal government capping transfer payments doesn't change people's needs.

Don Storch, Catholic School Service in Edmonton. I quote again:

> The government clearly does not want to take responsibility for their own made-in-Canada recession.

Gordon Wilson, President, Ontario Federation of Labour.

It seems that wherever we go, whomever we ask, the response is always the same: this budget is only a hurting budget, penalizing the middle and low classes of our society.

How can this government seriously say it wants to build unity in this country when it keeps creating tensions by cutting jobs, thus helping in the escalation of intolerance and racism?

[*Translation*]

Mr. Speaker, government members could answer that on the contrary they are working for harmony in this country. Three bills have been shelved since the fall of 1990, namely an Act to establish the Canadian Heritage Languages Institute, an Act to establish the Canadian Race Relations Foundation, and an Act to establish the Department of Multiculturalism and Citizenship.

In the years to come, Mr. Speaker, literacy and harmony in racial relations will be corner stones of the consolidation of this country, Canada. If we sincerely believe that together we must build a better world, the Mulroney government has to promise that it will not dismantle tomorrow what it is building today.

[*English*]

If the present budget seems fairly good for multiculturalism, one must not overlook the fact that it is not overly generous. While the amount of money may have increased over all, so has the number of groups asking for help. Everyone will end up with less, making it much harder to survive.

This may really be this government's hidden agenda. I have questioned its commitment to multiculturalism in the past. Just a few days ago, the Minister of National Revenue was quoted in a newspaper in Scarborough, Ontario as saying that he was against multiculturalism. What does this mean? Is this the government's new stance on multi?

The Minister of Finance has, if we look more closely at the figures, cut in funds to be distributed to groups and organizations working toward race relations and cross-cultural understanding.

The minister could tell us there are now funds for the Canadian Race Relations Foundation and he would be right, but the grass root groups should not be penalized because of the creation of a new foundation.

[*Translation*]

Mr. Speaker, we must keep a close watch on this government, for it seems to have a tendency to rob Paul to pay Peter. We must make sure that Canadian multiculturalism becomes a reality with which Canadian men and women from coast to coast can live in harmony. We will never achieve that through cut-backs. And all we can see now is the tip of the iceberg.

When will this government understand that this is not the way to keep the country united?

Mr. Speaker, the people have had enough listening to the same promises which are invariably forgotten the minute they have been made. They are tired of paying for the mistakes of others. The country is in the midst of a crisis and this budget does not do a thing to improve the situation.

As *Le Soleil* reporter Jean-Jacques Samson put it last February 27, "In so doing the federal government strikes a low blow against its partners, the provinces".

[*English*]

It is indecent that Canadians have had to support 33 increases in taxes. It is a miracle that Canadians have not revolted yet, or maybe they have. Maybe this is one more reason for Quebec to question this government.

[*Translation*]

Mr. Speaker, the Mulroney government advocates Canadian unity—yes, advocates—while at the same time it slashes into everything that is essential to achieve that unity and throws another 1.4 million people out of work. It increases unemployment insurance contributions but not the benefits, then it cuts $411 million off the social housing program. Again I repeat that in so doing the federal government strikes a low blow against its partners, the provinces.

• (1910)

[*English*]

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, congratulations to my colleague from the Liberal Party because I concur with just about everything she has said.

We are speaking to the borrowing authority and we do not argue that the government has to borrow money with which to run the country, but we certainly disagree with the direction in which this government is taking us.

I read a very appropriate comment today from the Minister of Finance suggesting that he appreciates or feels for the people on welfare in Ontario, but he has no idea how the government is going to deal with those people. I suggest it is almost a Pontius Pilate kind of an attitude: We wash our hands; it is not our responsibility; we pass it to the province, and the province in turn will probably have to pass much of that load on to the municipalities and neither of which can really control or handle these financial responsibilities at this time in the midst of a recession.

This government has continually come out with budgets without any creativity, no positive initiatives whatsoever. It is a litany after litany of cuts. And what does a country want in a time of recession? It wants some optimism. It wants assistance from the government, some hope for the future. Instead the government says: "No, I can't help you. We can't help you". It is an abdication of all responsibility to the people of this country. It provides no direction except the direction which brings us into an ever deepening recession.

They say if it hurts now, wait until we bring in the budget. They have brought it in and it shall hurt ever so much more.

What is the role of the government in difficult times? Well, people look for this hope, for this encouragement, for optimism. This government is bankrupting us not only financially, but they are bankrupt in any concept of positive ideas. They have no imagination.

May I suggest—and I am not ashamed to be political at this point in time to say that the Ontario government has taken a different approach to the recession in Ontario—they have responded positively. They are spending $700 million in job initiatives in the province and in my

community of Sault Ste. Marie which is suffering. The largest employer in our community has a six-month reprieve and we hope that through the actions of everyone, including the federal government, that Algoma Steel will have a long and prosperous future.

But there are two concepts here. The New Democrats in Ontario are saying: "We are willing to offer you some help. We will create some jobs for you". This government says: "We can't. We cannot do anything for you in the difficult times".

I will tell you one thing they did do. They increased the unemployment insurance premiums by 20 per cent which people in my community will truly appreciate after having been on strike for 16 weeks and still almost having to go to the Supreme Court. In fact it was the Supreme Court ruling that eventually freed up three weeks unemployment insurance for those people who had been on strike for 16 weeks. So what is the government's answer to unemployment insurance? We will jack up the premiums. We will make it ever more difficult for you to get unemployment, but we will also increase the premiums at the same time.

How about tackling unemployment. The government's suggestion is: "We will attack unemployment by reducing $100 million in the Canadian Jobs Strategy". That is a bizarre way of handling unemployment. How about putting a 5 per cent cap on the have provinces, the have provinces of which Ontario is supposedly one? For a long time we probably were but right now we are suffering more probably than any province.

If we take a look at the statistics of welfare in Metro Toronto in January, there were 73,846 cases of general welfare in Metro, representing 117,000 men, women and children. That is an 11 per cent increase over December and an 83 per cent increase over a year ago. Thank God we are one of the have provinces and not one of the have-nots.

This government suggested that we are going to take this revenue neutral revenue from the GST, the revenue neutral tax, and we are going to put it toward deficit reduction.

A lot of my constituents have suggested that is a reasonable idea. It is probably quite acceptable, but we say: "Why not take the moneys realized at this point in time and tackle the recession to give people some hope?"

This government has done nothing but make us feel guilty. We are not competitive. We make too much money. We are not skilled. We are not efficient enough. We just cannot compete.

Is the answer for us all these negative initiatives by the government, instead of introducing anything positive? What have they offered in the way of hope? What have they offered in the way of help? An absolute zilch.

I like to turn to Tommy Douglas in every speech. I think he always had an appropriate comment, and this one I think is most appropriate at this point in time: "Surely if we can produce in such abundance in order to destroy our enemies, we can produce in equal abundance in order to provide food, clothing and shelter for our children. If we keep people employed for the purpose of destroying human life, surely we can keep them employed for the purpose of enriching and enhancing human life".

We spend $600 million in a war, but we cut $100 million from the Canadian Jobs Strategy. I do not think Canadians have any reason to apologize, to be abused or to be frightened about tomorrow's security. We are rich. We are proud. We did control our resources. We have our doubts now. We have lost much of what we had because of this government. This budget has in no way offered any assistance to any Canadians.

If we talk about the profligate waste of taxpayers' money, this government could not even put together a commission on unity in the country, despite the fact it is going to spend $27 million. Imagine forming a forum, a commission on unity that falls apart unto itself after having spent or will have spent $27 million.

This government talks about fiscal responsibility. That is total hogwash. It is total hypocrisy and it is not acceptable to anyone in this country.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I am pleased to be able to take part in this debate tonight on the government's borrowing bill and the general economic policy.

This year's budget comes a very critical time in our nation's history. Today Canada's national government is confronted not only with serious economic issues, but

also with grave political considerations about the future of our country itself.

Whether it is a question of Canada's deficit or of Canada's destiny, the people of this country are turning to Ottawa for leadership.

The government's budget is probably the best indication of what this government has in mind for the country. The Prime Minister can make all the speeches he likes. He can talk about national unity. He can talk about educational excellence and about the environment, but the real test is what the government offers Canadians in a 200–page document called the budget.

Since taking office in 1984, the government's speeches and its budgets have not squared. The Prime Minister talks about national unity while the finance minister makes cuts to CBC, VIA Rail and closes rural post offices across this country. The Prime Minister talks about putting people first while his finance minister cuts job training programs and provincial transfers for education. The Prime Minister talks about leaving a clean environment for the next generation while the finance minister makes cuts to the green plan by $600 million in the next five years.

When Canadians hear the Prime Minister talk about his vision of the future of our country, they need look no further than last Tuesday's budget.

• (1920)

This budget speaks louder than any opposition member of Parliament could ever speak about how this government is failing to deal with the problems that confront Canada today.

I want to state right now, for the record, that I certainly recognize the need for the government to achieve lower budget deficit, lower interest rates and a lower dollar. I agree completely with these aims.

What I cannot accept is the government throwing up its hands in the air, passing the problems onto the provinces, the sick, the unemployed, the homeless or the students who are in charge of our future.

Not only have Canadians been asked to make sacrifices, they cannot even be sure that the sacrifices this government is asking them to make will actually do as much good as the government claims.

There is plenty of evidence, in previous budgets for example, to suggest that this budget's projections for the deficit and the interest rate for inflation are a way off base. This lack of credibility makes it very hard for Canadians to accept the medicine that this government is forcing on them.

During January and February, the Liberal task force on the economy held hearings all across this country. We held hearings because we wanted to hear, firsthand, what Canadians had to say about the state of the economy, about their own particular situation and we wanted to listen to any suggestions they had.

We went to approximately 35 communities across this country from North River, Prince Edward Island to northern Ontario, from London, Ontario to Vancouver, British Columbia. We listened, we took notes, and we will use that material from these hearings as we develop our own economic policies.

The input this task force received on Prince Edward Island was extremely useful, providing what might be called a yardstick against which this government's budget may be compared.

This 1991 federal budget cuts across a wide variety of interests, from students to small business, from low income housing to the environment. The largest cut to my province of Prince Edward Island, in terms of dollars, was obviously in the transfer payments for education and health.

To give a little bit of background, the previous Liberal government in 1977 concluded an agreement with the provinces, whether they would pay each province so much per capita based on how the economy was growing.

Not long after taking office, this government decided that it would change that, so it limited transfers to the provinces at first by a couple of percentage points. Then, it froze the transfers of cash altogether. That freeze continues to this day and it will continue according to this budget until 1996.

This latest budget wipes out over $2 billion in support for provincial health and education. In terms of Prince Edward Island, the 1991 budget trims approximately $17 million of Prince Edward Island's potential budget for education and health for the next three years alone.

This lost revenue from Ottawa has to be picked up somewhere. The province has to do that either by increasing taxes, or by reducing services. It has to get the money somewhere. Maybe, it will mean that the universities will have to increase tuition fees.

More important than the money is what reduced spending on education will mean to the future of the province and the country. How important is education? I want to quote a well-known politician:

> People are Canada's most important resource. That is why we are going to focus more and more of our attention and resources on long-term investment in people, education, literacy and the upgrading of skills.

That is a quote from Prime Minister Brian Mulroney, speaking in Calgary, April 5, 1990.

I know that my time is getting short. I just want to end by saying that Canadians are looking to their national government for leadership and especially during times like this; times of recession and especially when our national future is at stake, this need becomes even greater. But what this government has shown again in the budget, is that it is unable to provide that leadership.

Canadians expect better. Canadian deserves better. After the next election and the swearing in of a new Liberal government, Canadians will receive better.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I also wish to join the debate this evening on the budget.

This budget is a continuation of all the previous budgets introduced by this Minister of Finance and the government. I am afraid he was wrong when he first introduced a budget after being elected to the government in 1984, as he is wrong today. It is a wrong attitude; it is a wrong philosophy; it is a wrong direction. I think the results of each of the budgets have indicated how wrong the direction of the government is.

Rather than reducing deficits, we have seen our deficits grow until now, in terms of our accumulated deficit, it is well over $400 billion. We have seen our taxes increase, particularly the taxes of ordinary Canadian men and women. We have seen government services, public services being drastically reduced, budget after budget after budget. It is a downscaling of government. A tremendous redistribution of wealth is occurring, because it means that ordinary working people are paying more and getting less.

As a New Democrat, I have no objection to fighting the deficit. As a New Democrat, I see the interest payments we pay every year as a redistribution of wealth to the more well-to-do. Because it is only the banks, financial institutions and those individuals who hold bonds that benefit from our deficit. We see a distribution of billions of dollars every year from the public coffers to those individuals. So fighting the deficit is no problem for me.

To be sure, it is a problem that was created by the Liberal regime, particularly when Mr. Turner was the Minister of Finance. They thought they would have the quick fix by allowing all sorts of tax deductions for large corporations, assuming that the extra wealth the corporations would get would be reinvested and create more jobs, expand plants and create more wealth.

We knew back then it did not work quite that way. Unfortunately, the Tories are even more so committed to the notion of the trickle-down theory, of giving special tax breaks and concessions to the wealthy and to the large corporations while fighting the deficit on the backs of the elderly, the young, working men and women, farmers and fishermen of this country.

It is wrong. It is morally wrong and it is economically wrong. It makes no sense whatsoever.

The Minister of Finance has charged that New Democrats just bicker and we do not have any solutions. Well, we do have solutions. I was on the finance committee when we went through the process of tax reform and, out of that process, the New Democratic Party presented a report on tax reform, which is our solutions to the problems.

• (1930)

At that time I also stated, both in committee and publicly, that if we are going to have genuine tax reform in this country, we must also have a measure of political reform. If we are going to have genuine tax reform it should be done by including all of the political parties, working together to come up with a tax scheme that would be fair and effective.

The Minister of Finance rejected our proposals, as he rejected the many excellent proposals of the finance committee itself. This Minister of Finance, in his stub-

bornness, his Department of Finance with the bureaucrats in their stubbornness, insisted that the proposals they had laid forward in tax reform were it or nothing else. In that proposal they made many projections.

I remember how the Minister of Finance assured us in committee that he had plugged up the loopholes that resulted in not one major life insurance company in this country paying a cent of tax for over a decade. He assured us that he had plugged up the loopholes that saw, for example, in a case in 1983 of one bank where a teller at that bank paid more actual dollars and cents in taxes than the bank did, even though the bank had over $300–some million in profits.

However, when the figures came in and the real world was discovered, the insurance companies and the banks had found other ways in and around his regulations and they were no good. He had to finally back down and accept some of the proposals that were made by the finance committee.

Had the Minister of Finance heeded the advice, and had we, on the finance committee, been able to come forward with a package of genuine tax reform, including the reform of the sales tax and the corporate tax as well as the income tax, it would not have been a package that all the Conservatives, all the Liberals and all the New Democrats would have been happy with, but it would have been a package that would have had the political commitment of all the political parties behind it and it would have been a package that would have ensured fairness in our tax system.

Instead, tax reform has been a dismal failure of this government. Rather than plugging up those loopholes, we see the amount of taxes being paid by the corporate sector, but particularly certain segments of the corporate sector, i.e. the financial institutions and the real estate developers still not paying their fair share of taxes.

Let me come back to the point I mentioned earlier. I have no problem fighting the deficit; indeed, we have to reduce the deficit. But let us reduce the deficit in a fair and equitable manner. The record of this government is its unfairness as it tackles the problem of the deficit.

We see in this budget a further erosion of medicare and further cutbacks which will affect our post–secondary education. These are investments in the country. These are investments in the future, particularly post–secondary education. It means that our youngsters will have less of an opportunity in the future. It means what this Minister of Finance calls down–scaling, passing on the burden to the provinces. The provinces in turn will cut back and pass the burden on to municipalities.

This country has developed marvellous social programs in health and education over the years. Often it was this party forcing the Liberals when they were in the minority situation to enact certain progressive steps. But the aim of this government is to destroy all of that. And for what? What are we to be left with? We have a country in ruin. We have political dissent and economic chaos. We have people unemployed. There is no sense of confidence in the economy of this country. Our infrastructure is being depleted. Our education system, our post–secondary education institutions are crumbling. There is no sense of hope and future and confidence by Canadians. That is the result of the budgets of the Minister of Finance.

For heaven's sake, Minister of Finance, for the sake of Canadians, for the sake of the future, resign.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I am very happy to be here on this very nice night.

I want to speak to this borrowing bill which fits into this government's whole economic agenda. It is an agenda that is leading us down the road to deconfederation.

At the same time that peace in the Persian Gulf is around the corner, if it is not actually here already, this Conservative government has decided to declare war on Canada and the people of Canada, the unemployed and the regions of Canada that are really very hard hit by this recession.

This Conservative government has allowed Canada to drift. Not only has it allowed it to drift, but it has actually admitted to causing this first made–in–Canada recession, and this budget does absolutely nothing to help our economy back on track.

We understand that the deficit is a very serious problem and the debt is a very serious problem. We have no problem in dealing with that. But what we are worried about is how can one deal with that kind of a deficit and a debt when there are no jobs, when corporations, especially small businesses are all losing their shirts, they are

not paying any tax and, therefore, the deficit will grow even larger.

This government has practically strangled employment opportunities as a result of maintaining high interest rates and a high dollar. This government has introduced the GST, an expensive and very complex tax which is also very regressive, especially for the regions of the country. It increases inflation. As a matter of fact, in January we had a very massive increase in inflation.

Now that this government has brought us into this recession—by its own admission, they tell us it was a planned recession— it has turned its back on us. At a time when the government predicts that unemployment will rise to 10 per cent, the government has cut spending on job creation and has increased unemployment insurance premiums. If there was one area in which I would have liked to have seen some government interference it would have been in job creation projects.

I come from the riding of Sudbury. In the early 1980s when this country went through a very serious recession, we probably were the hardest hit of all the regions of the country. We had unemployment rates in excess of 28 to 30 per cent of our population. I was a business person in the community at that time. They were terrible, terrible times. But I must say that the government intervened; government helped us out. Today, Sudbury is a very viable community; actually, we are probably one of the bright spots of the country.

I would say to the people on the government side that that is because the government invested dollars, and the dollars invested at that time have now produced tremendous benefits. We are now paying our own way now and we are very happy to do so. The thing that bothers us is that we see this government turning its back on other areas that might need it very much.

Ultimately, it is the Canadian taxpayer who will pay for the Conservative mismanagement of our economy. Canadian employees and businesses are being made to pay more in unemployment insurance premiums now that the government no longer contributes to the unemployment insurance program.

• (1940)

In addition, the provinces and municipalities will either pass on the pain to their taxpayers or they will drastically reduce services that the federal government is now refusing to pay for.

The Minister of Finance now expects Canadians to trust his budget and his fiscal policies to bring Canada out of the economic doldrums and into prosperity. After almost seven years in office during which Canada shared with the rest of the western economies almost unprecedented economic growth and despite having resorted to 30, 32 or 33 different tax increases, paid largely by the middle and lower income Canadians, the Minister of Finance has failed in bringing the deficit under control. In fact, he has managed to double the federal debt while at the economic control.

This is the same Minister of Finance who told Canadians in 1985 that the deficit in 1991 would be $18 billion. Last week, he announced that he was really doing a good job because he was going to hold it at $30.5 billion over the next couple of years. How can we believe his prediction? He says one thing, but the next year he revises all the time.

This is also the same Minister of Finance who told us the GST would have a minimal impact on inflation. Inflation in January jumped to 6.8 per cent, the largest increase in inflation in 33 years. Now he expects Canadians to believe that inflation will be at 3.2 per cent in 1992 and he predicts interest rates at 9 per cent. How, pray tell, can he have inflation at 3.2 per cent if interest rates are still that high?

The Minister of Finance continues to insist that his fiscal policies are necessary to ensure Canada's competitiveness in international markets. How can Canadian businesses compete under this Minister of Finance's high interest rate, high dollar economic policies? What happened to the Prime Minister's pledge to invest in Canada's future?

Canada's future lies in research and development, and in the education of our young people. How can we compete when the government is cutting funding for post-secondary education, and research and development? The Tories have attacked the bonds that hold us together as a nation. Our social programs are among the only things that bind us together now from coast to coast.

At a time when the government should be strengthening national unity, it is weakening what is considered to be one of the best national social safety nets in the world.

It has made drastic cuts to national institutions such as the CBC, and now the Prime Minister seems prepared to give away more and more of the federal government's powers to the province.

Let me get back to the CBC. The government always tells us that it is cutting these things to save money. Now, we have just heard with the Supplementary Estimates that it is going to cost $48 million because of the cuts that it made last time around. It is not really saving any money. It is just destroying the country, because everything it does seems to cost a lot more than it predicts.

The only thing that this budget has succeeded in doing is to pit public servants and Canadians in general one against the other. Someone once said that the true moral test of government is how it treats those in the dawn of life, the children. There is nothing in this budget for the children. In fact, it will increase their poverty. There is no day care. There is absolutely no consideration to these people in our community.

The true moral test of government is how it treats those who are in the twilight of life, the aged. This government has clawed back on old age pensions. Name it. It would do much worse if the Canadian people had let it. Because of one lady in particular who said: "No more, Charlie Brown. No way, Charlie Brown," it decided to change its mind. It is still continuing when we think of medicare. That will really hurt those who most need it.

The true moral test of government is how it treats those who are in the shadow of life; the sick, the needy, the disadvantaged. Just think in terms of what this government is doing to things like welfare programs. It may not be doing it directly, but it is asking the provinces to do its dirty work for them.

It is asking the civil servants to turn against their own co-workers, to decide whether they should have an increase in their wages. Heaven help us. We are all faced with the same increases; they are also. They have to choose between giving themselves an increase or firing their brother. What kind of a government is so heartless that it would ask someone to do that, instead of doing and making the decisions itself. I would think that this government would have the guts to stand up and say that it perhaps does not need this particular department. If that is what it wants to do, then do it.

This government has 46 ministries. Why does any government in Canada need 46 ministries, or 43 ministries, or whatever the number is? In the United States they have 10 or 15 ministries and they have a population that so far outranks ours that it is unbelievable. If they can do it with 10 or 15 ministers, why can't we? Let's practise what we preach and let's do something for Canadians and not just the idea of what Conservatives can do for themselves.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure today to speak for a short time on the borrowing bill. What I would like to do is to attack this from the perspective of a number of other speeches that I have made in the just over two years that I have been a member of this House; and that is from the angle of what is happening to our country, what I have seen happening to the country, and what the people that I have spoken to across the country have told me is happening to the country, in their minds.

Let me quote from the budget speech, starting where the Finance Ministers tells us right off the bat that:

> —this is a strong budget—a budget for economic recovery.

He then goes on to say that:

> Our Plan for Economic Recovery is different from those in previous recessions.

And he finally concludes by saying:

> We all wish to see a strong, united and prosperous Canada. Our Plan for Economic Recovery will help us achieve that goal.

It saddens me to have to say that what I have seen in this budget is a continuation of those policies that have ripped the guts out of everything in Canada that all of us have grown to love and cherish.

I would like to read some sections from an article in *The Globe and Mail*, written by Geoffrey York. In that, the Roman Catholic bishops warn that:

> An economic transformation is turning Canada into a "deeply fragmented and polarized society" whose people are divided against themselves.

I will come back to that statement in a couple of minutes. They further say that:

> The shift to low-paying, part-time jobs is transforming Canada into a society polarized "between rich and poor, urban and rural, women and men, older and younger workers, white and non-white".

They further say that:

> This is worsening the phenomenon of the gap between the rich and the poor.

And finally, Tony Clarke, director of the social affairs department of the Catholic bishops, said:

> —ordinary Canadians have felt one blow after another. This week's federal budget will probably worsen the situation for working people in Canada."
>
> They said the government has "largely abandoned job creation efforts, while cutting social programs and reducing transfer payments for health, education and social assistance."

The bishops in that are dead on the mark. That is exactly what we have seen in the three budgets that I have debated in this House. It is the policies that started with the Conservatives taking power in 1984 and have continued, where the policies of this government are established by the wealthy, the 5 per cent of the wealthy, the poor get poorer and the middle class, as has been shown by StatsCanada in a recent study by the Fraser Institute, are paying more and more in taxation. Their actual after-tax income is dropping substantially. Everything points to the widening of that gap.

• (1950)

I said that I would return to the shift to low-paying part-time jobs. What we have seen, and we talk of job creation when we come to this place, we hear the government constantly telling us how many jobs they have created, and what seems to be happening is more and more of the industrial jobs seem to be either drying up or moving south of the border. More and more we are getting into the service-oriented jobs, the "McJobs", the jobs that are lower paying. The incomes are falling. The young people with families are having a harder time getting employment that is able to keep their family to any type of a standard of living. Some of these younger families are forced to have two jobs, three jobs, and four jobs just trying to keep up with their every day and day-to-day expenses.

What this government has done is heap upon them the goods and services tax. Now in this budget after getting hit with that we have increases in unemployment insurance, cutbacks in the Canada Assistance Plan, capping of that particular plan, the Established Programs Financing. All of these filter down, part of what has been or appears to be the plan, and has been the plan I would suggest, for the six years that this government has been in power.

What happens when the unemployment insurance rates go up? What happens when there is capped funding on the Canada Assistance Plan or the Established Programs Financing? Well, we either cut back on the programs or we force the provinces and the municipalities to increase their taxes.

Once again, who gets hit by those taxes? Who does not have tax breaks? Well it is the middle-income and the lower-income people. If the province passes these on to the municipalities then it is the property owners who end up paying once again.

Interestingly enough, the unemployment insurance increases hit directly at those property owners and renters in all municipalities across Canada and particularly in rural Canada. The biggest employers in small towns such as Osoyoos, Oliver, Okanagan Falls, Penticton, Summerland; places in my riding, Grand Forks, Princeton, Merritt, are the hospitals, the school districts, and the municipalities.

They have to get their money. They cannot deficit finance as the federal government has done. They have to have their money up front and they have to get their money through property taxation. Who foots the bill for the property taxes in rural Canada? Well, it is usually the middle-income and lower-income people through rent and through property taxes, once again whittling that away.

Also getting hit in this is the small business community and I think as we all know, as has been said time and again in the House and by others, 80 per cent of the employment over the last 10 years has been created by the small business community.

And what has happened to them in this budget? Once again, falling to them will be increases in unemployment insurance. The GST has hit them and hit them strong and hard.

In my riding tourism is a major industry. We know that tourism has already started to fall off and will fall continuously. In the area next to the border the perception that is out there of the added cost is forcing people down below the borders to shop, again hurting the small business retailers in the riding of Okanagan—Similkameen—Merritt, all through the Okanagan as a matter of

fact, and I would suggest all across Canada within 100 miles of the border at least.

One thing that hits hard and hits hard at all of us is cuts in Canadian Jobs Strategy. These are programs that we have used well in rural Canada. They have helped us at times of high unemployment. In my riding the unemployment rate is approximately 17 per cent adjusted, unadjusted substantially higher than that. But we use these programs and use them very effectively to assist people in retraining, to re-enter the job market. That is being cut, and being cut substantially.

What we have seen in this budget is more pie in the sky. Our Minister of Finance tells us: "We are going to get inflation down. We are going to fight inflation. We want to see a strong and united Canada". Well, what we have here is a formula for failure. A formula for failure politically. A formula for failure economically and a formula for failure socially.

We will continue to speak out, present alternatives and speak out very strongly against this government's attack on the middle-income, low-income earners and on the poor.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I really appreciate this opportunity to address the borrowing authority bill before the House. It really is a mechanism that begins the process of implementing this government's policy, this government's budget policy and this government's expression and vision for the future. In a sense, when you see and read this budget, it expresses the narrow ideological, market-driven agenda of this government. It does not in any way, even pretend to respond to the real needs of the ordinary people out there in the countryside; the woman who is concerned about child care, the women who is on the job market and worried about whether she is going to still have a job, the man in his mid-forties to early fifties who has built a career and now finds that his job is gone and he is out of sync with the needs and qualifications called for in the marketplace. That is the ordinary bread and butter issue. Can I pay my mortgage rates? Can I meet my car payment? Have I enough money, if I am in a different bracket, to pay for my RRSP? All the ordinary things that ordinary people think about and worry about and we often forget about, standing here talking in this House of Commons.

At some point, in the few minutes that I have, I want to address some of the issues around the cultural sector. I just wanted to bring to the attention of the House that it is unfortunate, but this is not a budget of hope. It is not a budget delivered at the right time with the right message. It is a budget that tries to put the brakes on an economy that is already in a tailspin. It is a budget that steps backward in many, many areas, and fails to address, as I say, the ordinary needs of the people of this country in a balanced way and deal with the social inequities that have come about through a number of issues; whether it was the free trade agreement that has not given us a level playing field, whether it is the made-in-Canada recession or whether it is a very poor tax policy that has increased taxes unconscionably on middle income earners, pushing them down towards the lower-income level.

When you have a policy that has a high interest rate and has kept our dollar ridiculously high and then expect to have our people compete, both nationally and internationally, and do not give people the skills they require, I ask: What is expected and what kind of a message is this government sending to the country?

The lack of investment in Canadian research and development, the lack of any kind of commitment to transfer of technology when we deal with countries which come in here to do business, without any commitment to put back into this wonderful society that this government inherited, is a pretty sad lack of vision and condemnation of the lack of foresight of the leadership across this floor.

How are we supposed to be dealing with these social inequities in this budget? The last seven years have been really nice, healthy growing years for the economy and for business. People have done well. Yet, during this time of prosperity, we have not been able to work down our national deficit and accumulated debt. When we were not able to do this in the fat years, if I may call them that, and now we want to try and do it during the lean years, it seems to me that there is a peculiar mental block in this government about figuring out the priorities at the right time and in the right way.

• (2000)

If the government could not address the social inequities at a time of prosperity, do you think this is the time to do it? If it did not address them then, when will it?

The budget was the opportune moment to right some of the wrongs this government committed. I fear that the moment has been lost. It has not in any way indicated any desire to rebuild the infrastructure that it has cut to pieces—VIA Rail, Air Canada, Petro-Canada, all those things that linked this country—or the CBC, which it has systematically destroyed over the last seven years.

Then we move to the GST, a tax that the Canadian people did not want. They said it time and time again; every Gallup Poll showed they did not want this tax. It was not the idea of taxes. People understand that to have social programs, to have social contracts, to do certain things in arts and culture, they have to pay taxes, that the money has to come from somewhere.

To have the money come from imposing a tax that is so regressive, that is so hurtful, that brought about increased inflation, that is ridiculous in some of its in and out administration, that put 3,000 new people in there and has caught the eyes and ears of the world, how on earth can Canadians have any confidence in a finance minister and a government that plan in this way?

I say to you it has imposed a tax that is unconscionable. In supplementary spending estimates there is a requirement for $180 million to complete the implementation of this tax. In fact, if you look at the $559 million extra in supplementary spending that was just tabled by the minister, you will see that the biggest chunk of new money is for the GST.

The Department of National Revenue receives an extra $153.5 million for planning and administering the tax, while the Department of Public Works receives an additional $24.5 million to provide GST related office space, and the Department of Finance receives an extra $2.3 million for GST inquiries and communications. Add that to the $365.8 million in GST related spending in the Supplementary Estimates last November, and yesterday's estimates bring the cost of planning and implementing the GST and the related tax credit for low income Canadians in 1990 to a total of $546.1 million. That is more than double the estimate of $260 million in GST administration costs that were included in the February 1990 budget. I think it is absolutely scandalous.

What do we have from the seven-year term of this Conservative government, as reflected in this budget, but a national debt that has now doubled, as I already talked about, and very high inflation.

This government said that it, when it took power, would make the economy more competitive. But we have slipped dramatically in the OECD ratings and lost hundreds of thousands of manufacturing jobs, including hundreds, maybe thousands in my own riding.

There is nothing new in this budget to give people who are hurting any hope. The food banks are busier than ever, people are losing homes and businesses, and families are struggling to make ends meet; and this government has the nerve to tell us that Canadians ought to toughen up, stay the course, tighten their belts. It makes me wonder what world the government is living in.

I had wanted to address the government's cut of $100 million to the Canadian Jobs Strategy program, to talk about its watering down of the funding for the green plan—so much for environmental commitment, which is the concern for tomorrow. I wanted to talk about the 15 per cent cut in social housing, which I consider heartless, and the increase of UI premiums again—that is a tax increase. I think it is up 24 per cent, although that could be an inaccurate figure.

To top it all off, this has followed six years of prosperity. All in all, I would suggest to our young people looking to go into the marketplace that there is not much hope at this moment. We have cut money in all those areas and we have cut investment in research and development. This budget dashes hopes for many, many thousands of Canadians.

Let us look at the cultural dossier for a couple of minutes. Looking at it you can really become heartsick. Canadians deserve better. The culture of a country defines it on the international map, on the global world stage.

The cultural community is in the forefront of the development of all nations, this nation no more and no less than any other nation. It is an area for innovation, creativity and resourcefulness. I suggest to you that this

is what is lacking in terms of the vision this country should have, that this budget should have for cultural development.

I am not going to talk about the savaging of the CBC. It goes without saying. There is $45 million in the budget to help with the severance pay. Telefilm, which allows us to see ourselves on film, has been cut to the tune of $28 million over the next five years. Canada Council is frozen, and they have lost close to $20 million over the last four or five years. The ballet-opera house lost the federal government's promise of $88 million. The Edmonton concert hall, and the Montreal concert hall, those have also been cut.

I am not the least bit sorry about the $45 million in the cultural research institute because that could have gone another way.

Other budget items have been of serious concern to all of us. That $100 million from the Canadian Jobs Strategy is unconscionable at this time.

The last point I want to make is the fact that prior to the budget of the Minister of Finance the federal government had earmarked $50 million for training in the cultural sector. What is happening? What does that mean for our arts and our cultural institutions? I think that it is very sad.

I would just quote Jay Stone of *The Ottawa Citizen* who said: "You can tell a lot about a government by how it spends it money. In fact you can tell everything. Just follow the dollar signs to the heart of policy and a dark heart it is for those of us with some passing interest in culture, dark and mysterious, and with a slight, little murmur that might be the faraway sounds of public opinion dropping gently on the ground". It is a sad day for Canada.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, this is not a budget. This is a political indictment against the aspirations of working men and women in Canada. It is an attack on the very foundations of this country and an assault on the pillars of our Canadian way of life. This budget attacks our system of universal health care, it attacks the foundations of our post-secondary educational institutions and it attacks our whole system of income assistance.

The Minister of Finance when he announced the budget said there were no new taxes. But this budget itself is a hidden tax on all working Canadians because it is a pass the buck budget. It passes it over to the provinces and it lets the provinces and the taxpayers of those individual provinces deal with the difficulties that this budget has caused. The government, through this budget, is relinquishing its own authority, almost through default, by passing its responsibility to the provinces.

With respect to unemployment insurance, last year the government announced that it was getting out of the unemployment insurance program. It passed over the responsibility of funding that program to the small business community and to the workers. When it passed the buck to the businesses and to the workers last year, the minister promised that should there be future shortfalls in the funding the government would make up the difference. But this budget puts the lie to that promise because the workers and the business community now find that they are going to have to make up that extra cost.

One hundred million dollars out of the Canadian Jobs Strategy, which is a program that works well. As my colleague from Okanagan—Similkameen—Merritt was saying earlier, it creates a lot of job opportunities in areas like the interior of British Columbia, and it is a program whose funding, the minister last year assured this House, was secure. Another broken promise.

There is a lot of big talk by this government about the need to be competitive. Yet at the same time it neglects the job training skills and funding for job upgrading that will allow our workers and our young people to get the kind of training they need to be competitive in this global marketplace.

• (2010)

The capping of the extended program funding will force the provinces again to make up the difference. The financial assistance to the provinces for health care services and for post-secondary education was traditionally provided by the federal government. This program has been attacked time and time again in a succession of Tory budgets. In B.C. alone over the next five years we are going to lose $911 million out of post-secondary and health care funding because of the continual erosion.

The finance minister has said that a steady declining federal contribution will greatly exaggerate and aggravate the provincial problem of funding these programs.

Extending the Canada Assistance Plan 5 per cent ceiling is again passing the buck over to the provinces, forcing the provinces to make up the difference.

Some $600 million was stolen out of the green plan initiative, an initiative heralded by this government as being its commitment to environmental integrity in Canada. Now it is watering it down once again, with another $600 million being taken out of it.

There seems to be no bottom line with this government when it comes to expenditures for war, but there is certainly a bottom line for everything else. That $600 million, I understand, is going to fund the cost of the Department of National Defence in both the Oka crisis and the gulf war crisis. But why did it have to come out of the environmental initiatives?

The only sector in this country that has not been asked to make a sacrifice on the altar of restraint is the corporate sector. Not one tax break has been discontinued. Not one loophole has been closed. Not one initiative has been taken to get the corporate elite of Canada to pay its fair share.

If we had simply disallowed the deduction for business lunches, the three martini lunches, we could have saved over a billion dollars in revenue for this government. Introducing a minimum corporate tax could have reclaimed billions more.

In 1987—and these are Statistics Canada figures—93,000 profitable corporations in this country paid no taxes whatsoever on combined profits of some $27 billion, with a capital *b*, no tax. The government continues to be oblivious of the need for real tax reform. It does not care that the burden has been shifted to the shoulders of ordinary working men and women in Canada.

I want to point out that in 1950 individuals and corporations across this land contributed equal amounts, 50/50, to the taxes, toward Canada's coffers. Since that time the corporate share of taxation in this country has dropped to 14 per cent, whereas the tax burden for working men and women in Canada has increased to over 84 per cent.

When this government's friends in Canada's corporate community demand a reduction in the deficit, they never talk about shouldering more of this tax burden that they have been relieved of since 1950. No, they talk about the need to cut social spending, the need to trim health care, income assistance and unemployment insurance. The Tory government, time and time again, falls over itself in attempts to accommodate them.

Cuts to health care, cuts to unemployment insurance, cuts to post-secondary education, cuts to job training, cuts to income assistance, cuts to environmental initiatives, cuts, cuts, cuts, but never one corporate loophole closed. It is a Tory corporate agenda to harmonize our social and political system by taking it down to the market driven level of our U.S. neighbour.

When a business gets public money or a corporate bailout is needed to save another megacorporation, they call that a vital incentive, but when a single mother gets public money to help feed a child, that is a welfare frill.

Last year alone, over 160,000 jobs vanished in our manufacturing industry. Trident Limited, an auto parts manufacturer, accepted a $2 million giveaway, a grant from the federal government to help create Canadian jobs. Then what did it do? It flitted down to Tennessee and thumbed its nose at Canada in light of the free trade agreement.

From 1970 to 1975 corporate profits in this country grew 100 per cent. They more than doubled again from 1975 to 1980, and they grew by half again from 1980 to 1985. In the decade between 1975 and 1985 corporate profits in Canada totalled over $305 billion. Now they shoulder only 12 per cent or 13 per cent of the total tax burden.

What happens at the first whiff of a recession? Profits are transferred to foreign parent companies and are paid as dividends to foreign shareholders. This increased by 150 per cent the last time the economy took a tailspin. Canada is being bled by the haemorrhaging of our tax dollars to foreign investment firms.

I know my time is limited. I just want to say that there is no question at all that we have a serious debt problem in Canada. There is no question that we have to deal with it, but who caused the debt?

Since Confederation to 1980, our total debt was $77 billion. Four years later, under the Liberal administration, that debt had grown to $187 billion. In the last six years alone, that debt has more than doubled to almost $400 billion. There is no argument that serious efforts have to be made in debt reduction, but this government has decided in order to make that debt reduction to ram it down the throats of ordinary working men and women in Canada. Canada to this government, just in summarizing, has become a marketplace; nothing more and nothing less.

The Acting Speaker (Mr. Paproski): The hon. member's time has expired.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I am honoured to rise in the House this very day to speak to matters of the economy of particular importance to my constituents.

As always, I am pleased to have the opportunity to speak, particularly on not just matters that are of concern to my constituents, but to all Canadians.

When the budget was tabled over a week ago, I thought of how the government has mismanaged the economy for seven consecutive years. Today, the standard of living in Canada has subsequently declined dramatically.

I sent a *communiqué* to my constituents on February 26 shortly after the Minister of Finance presented the budget, and I told my constituents that the budget had no surprises. Indeed, services will be decreased, programs will be cut, Canadians will be paying more in taxes, and the majority of the responsibility will be placed on the provincial, territorial and municipal governments, on small businesses, on consumers and on individual Canadians least able to pay for the federal government's mistakes. The government was spending out of control during the good years when the economy was expanding and is cutting back at the worst possible time, in the midst of a deep recession.

We still have that huge deficit. None of that jiggery-pokery, the so-called high falutin fiscal policy this government has put forward, has worked. It is a shame. Even this severe Conservative agenda has not worked.

I spent the week before the budget was presented in the west and in the north, in both the Northwest Territories and in Yukon, meeting with people as part of the Liberal task force on the recession and the economy. I am privileged to have shared first-hand the concerns and struggles which Canadians are having in their effort to survive another Tory budget. It is this information that I want to share with members in this House tonight. I will put that information in perspective with this seventh consecutive budget of no hope. I feel this especially in the north since we have the highest cost of living and no initiative to boost the economy of the north.

• (2020)

I would like the Minister of Finance to explain to Canadians why the deficit is still increasing and public debt is now out of control. All this government spending has produced nothing in new initiatives. There is no National Energy Strategy, no areas for job creation which would help to stimulate the economy, the environmental green plan is being delayed—this will have a detrimental impact on the north—there is no child care strategy—a promise Canadians have been waiting for since 1984, there is no regional development plan, and no money for training, nor research and development.

There are wage controls at a time when the cost of living is at a record high. This will be hard on northern workers. Trade unions will be threatened with job losses. The Arctic environment strategy will be delayed as may be the Canadian Polar Commission. Social housing and CMHC programs are reduced which will directly affect aboriginal people across Canada. Health programs and welfare and post-secondary education moneys are reduced. As usual, the poor people, the aboriginal people, and those unable to afford these reductions will be punished.

The budget does nothing to tackle the recession or to stimulate economic growth, and it does nothing for northerners. There is no recognition of the potential that the Arctic can contribute. The desperate need for northern infrastructure and the excessively high cost of living in the north have been ignored by the Mulroney government for the seventh budget in succession.

In the north the north engineering sustainable economic development in small northern communities is an enormous problem. Last night my colleague from Nu-

natsiaq delivered his debate on the budget and described the monumental economic problems that northerners are confronting on a daily basis, really as a way of life.

My riding is the largest in North America, second only to my colleague from Nunatsiaq. In mid-February we travelled together from the small community on the Beaufort coast where I lived for many years, Tuktoyaktuk, in the Nunatsiaq riding, and then to a nearby town in the Mackenzie Delta, Inuvik.

In Tuktoyaktuk the people told us their town was broke. There were no jobs.

We went next to Inuvik which is in the Western Arctic riding, my riding. We then travelled on to Whitehorse and met with business people, miners, and trappers. From Yukon's capital we went to the capital of the Northwest Territories, Yellowknife, and finally to the southeast corner of my riding, a town at the beginning of the Mackenzie River, Hay River.

All told, the two territories encompass an area of 3.9 million square miles covering 40 per cent of Canada. The two territories are home to 79,000 Canadians living in some 100 communities.

I want to take a few minutes to quote from some of the northerners who made presentations to us about the state of the northern economy. In my mind no one says it as well as the people out there who are carrying the burden of a failing Canadian economy and particularly burdensome in the northern part of Canada where there is an extremely high cost of operating if you are in business, an extremely high cost of living if you are trying to eke out an existence in the rather remote parts of the north.

First of all in the town of Inuvik, Mr. Dick Hill of the Inuvik Chamber of Commerce said:

> There is a need for additional northern research support for responsible northern government and organizations so they can collect data and make creative decisions on projects with potential benefits. Effective environmental quality standards need to be set and enforced rather than setting up new commissions to fight projects. Arctic College should be involved to provide objective information collection and analysis. The federal creation of a Polar Commission staffed and based in the south does not make sense to polar residents.

The Hon. Gordon Wray, Minister of Economic Development and Tourism in Yellowknife, said:

> There remains a significant requirement, however, for federal investment in infrastructure to ensure the north can realize its vast potential.

Three, the Union of Northern Workers, Jim Evoy, stated:

> It is reported that Michael Wilson is considering wage controls in the Federal Public Service. We call on the Liberal Party to oppose such legislation. Wage controls in any sector is exactly the wrong policy to fight the recession and serve only to camouflage the problem. The working people of Canada will not stand idly by and accept the erosion of their income.

In the town of Inuvik, Mayor John Hill stated in regard to grants in lieu of taxes:

> If you take a million dollars out of an operation of our size, and yes, that could create bankruptcy. Or it could create a situation where we can't manage our affairs properly. It is unseemly that the federal government should be so irresponsible.

In the community of Hay River, Chris Brodeur stated:

> There's no land available for people that want to develop agriculture that requires land, chicken farms require relatively small pieces of land. And we need quotas. And those are two areas directly in the federal government's lap.

He also indicated: "We want the Canadian Coast Guard operations for the western Arctic located in Hay River and not in British Columbia."

Shirley McGrath of the Chamber of Commerce in Yellowknife indicated:

> What do we need? Government spending policies that will be supportive of local business without eliminating the competitive element; leadership in actively developing the economy of not only Yellowknife, but of the whole of the NWT; support for self-sustaining industries; opportunities to invest in the north and to keep our money here.

The Dene nation president, Bill Erasmus, said:

> My particular membership feels that within our treaty the federal government has a fiduciary responsibility to continue protecting that economy because our people are under the impression that government made the deal with us to continue our way of life.

Last but not least, the Association of Municipalities and the city of Yellowknife under Mayor Pat McMahon indicated:

> The Minister of Communications has unilaterally cancelled the public sector rate for municipal radio licences. Simply put, on that day, the federal government decided to levy a massive tax on health and public safety.

A local businessman in Yellowknife, Ron Williams, concluded by saying: "The land claim issue must be resolved so development can take place".

These are the things that northerners have indicated to us during our travels into various parts of the north.

There are many issues that northerners feel strongly about; the 24 per cent increase in premiums for unemployment, the cut to the Canadian Jobs Strategy. There is unemployment in the north that reaches the levels of 40 per cent to 60 per cent in some communities.

In relationship to that, we have a subsistence economy of hunting and trapping which has gone down the tubes because the animal rights activists have taken a grip on the whole situation and have turned it into a very brutal public relations campaign against the trappers of Canada. This has had a very detrimental effect.

Any kind of cut in the north, including the Land Use Planning Commission which hurts communities has really been detrimental on the north.

These are the concerns which northerners have. I wish I had more time because there is much more to discuss.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise tonight to speak on the recent budget presented by the Conservative government.

I come from the riding of Port Moody—Coquitlam which is in the beginning of the Fraser Valley in British Columbia. It is a beautiful area. It starts, really, in the suburbs of Vancouver and extends out into the Fraser Valley. It includes the municipalities of Coquitlam, Port Coquitlam, Port Moody, Anmore and Belcarra; five municipalities in whole.

There is not a recession in my area quite as much as there is in Ontario. It is just beginning. I am afraid, and that scares me a lot. I am very concerned about that.

I want to speak on the budget therefore on behalf of what I think my constituents would say if they could be here in the House of Commons. My constituents are concerned about the environment and education. They have a strong view of Canada. They believe, as I do, that Canada is greater than the sum of its provinces and they worry in these times of a constitutional debate that there is no one really speaking for Canada.

• (2030)

One of my friends from the Okanagan asked, "What has happened to Canada?" I think Canada is falling apart. We need a new Prime Minister in this country badly. It is too bad we cannot impeach the one that we have already got. We need a new government and we need a new Minister of Finance.

I am told that there was an award recently given by a distinguished European financial magazine for the three worst ministers of finance in the world and of the three worst ministers there was one from China, one from Switzerland who has succeeded in taking a strong economy and turning it down, and the Minister of Finance from Canada, who the magazine said had succeeded, or rather failed, but he has managed to get stagnation in Canada and inflation at the same time with high interest rates that are really hurting. My constituents who have to pay mortgages every month are paying high rates on their mortgages.

The government says, "We have this huge deficit. How can we do anything, we have this huge deficit?" What is their solution in this budget? Put the deficit into the provinces. It seems to me that we are talking about the same people, the same taxpayer.

Lest my constituents and other middle class Canadians think that they are spared by this budget, which I have heard people say, they should look a little bit more closely at it. Rather than raising taxes directly, the Minister of Finance boosted unemployment insurance premiums. So for a worker earning $40,000 a year, this means an increase of $204 a year. For a government it means extra revenues of $2 billion this year and $2.4 billion next year.

In effect, that is a tax increase of $2 billion or the year after $2.4 billion. It is a tax increase because they are asking every worker to pay $204 a year extra, not on their income taxes, but on unemployment insurance contributions. So people have been hit by tax increases in this budget.

Second, rather than asking taxpayers to keep pouring funds into social services, what the Minister of Finance did is shift part of the load on the provinces. He did that by cutting back on Ottawa's contribution to health care, post-secondary education and welfare, and he forced the provinces to pick up more of the tab.

Eventually these provinces will have to turn to the only source of funds they have, the citizens of the province, my constituents. So my constituents still get it in the ear. I asked people to look at this matter very carefully. The question is the deficit that I raised before. People say, "Where are we going to get the money?"

I remember Tommy Douglas, who was a great member of this House for many years, telling me when I first came to the House, he said he was in the House during the Second World War and there was a depression before the war. And the government said, "We can't do anything. We do not have any money". Suddenly the war came and they had to do something. They sure raised the money fast enough. They brought in a fair system of taxation and raised the money.

I am also concerned that we are not looking at bringing in a fair system of taxation. It seems to me that is the way of tackling the deficit. I am afraid that the worst is yet to come. We saw a free trade deal with the United States which is hurting Canadian industry and some Canadian industry is moving south of the border. This is happening in the lower mainland of British Columbia. We are losing some of our manufacturing industry, the little bit that we had.

We are now going to sign a free trade deal with Mexico. That means our workers are going to have to compete with workers who are making $1.25 an hour. You cannot compete with that. So we are going to have more industry moving to the States for cheap labour, where there are bad environmental standards, cheap labour, and exploitation of working people. The government says that there will be better jobs in Canada for Canadians. The problem is that there will be more high-skilled jobs in Canada for which you will have to have more high-skilled people. So what does this budget do? It cuts $100 million out of the Canadian Jobs Strategy program.

Mr. Speaker, I think that is a mistake.

I have heard the Liberal Party in this House be critical of the government, as I have been tonight. But the Liberal Party is a divided party. They always have two positions on every issue. I am proud that in the New Democratic Party we have been very consistent in our attack on the government and in the positions that we have put forward.

So I want to put forward some very positive solutions as to the way I think the government should have acted in the budget.

The first thing we need is a fair system of taxation. Why should a bank teller pay more in taxes than the bank? We still have not cleared that system up. We need a fair system of taxation.

Second, I think we should set goals. We should set goals for deficit reduction. I would like to see it become crystal clear that all of the GST, the Goods and Services Tax, be put into deficit reduction.

There should be no more frivolous expenditures. I stood up in the House of Commons the other day and asked a question of the Minister of Communications. I asked him why he would put $45 million into a cultural study institute in Montreal. What a waste of money when when no one wanted it. And I am pleased to see that the government eventually backed down. It is this kind of expenditure that is making the government look bad and is so wasteful.

Third, we have to clean up our constitutional position in this country, the stalemate. Let's get this over. Let's make a decision: either Quebec stays or goes. We get a new constitutional position in shape and we tackle what really matters to this country, and that is the future.

Finally, I think that a smart government would invest in education, would invest in health, would invest in the environment. These are the great investments. Common sense dictates that. The people in my area have a lot of common sense, and if they were here tonight in the House of Commons that is what they would be telling the government. And I am pleased to do that on their behalf.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, tonight we are here to debate Bill C-97, which is an Act to provide borrowing authority. Of course, Bill C-97 is inexorably intertwined with the budget, as has been so often said by so many speakers.

Bill C-97 asks this House to allow the government to borrow $26.4 billion. Where does that figure come from? The Finance Minister and the government have come up with that figure based on certain assumptions. Those assumptions are stated in the budget, and they are assumed to be correct.

The Tories take delight in reviewing history whenever they talk about the Liberal Party and in reminding us about their revisionist view of what the Liberals did. Well, this is dreamland. I want to talk about facts. So, I am going to ask us to go back factually and examine how the Finance Minister's assumptions have fared—factually, not fancifully.

Let's go back to November 8, 1984 when the Finance Minister delivered an economic statement. At that time he promised "to put our fiscal house in order so that we can reverse the massive build-up in public debt".

Mr. Speaker, he was wrong. The debt has ballooned from $168 billion to almost $400 billion in the six years that he has been Finance Minister. He predicted then that in the 1984–85 fiscal year the deficit would be $34.5 billion. He was wrong.

• (2040)

Seven months after that prediction, which was wrong, he admitted it was wrong. He announced in the budget of May 23, 1985, his first budget, that the deficit would be, not $34.6 billion, but rather $36 billion. Speaking of where to find additional revenue, he said, and I quote:

> Ultimately, we would be forced to find money through drastic cuts in government services and major tax increases. Many government programs would be in jeopardy. This is also unacceptable.

Mr. Speaker, can you believe it? This is the finance minister saying on May 23, 1985, that it is unacceptable to him to have drastic cuts in government services and major tax increases. Yet, what did he do? In fact, he cut government services. The government is now out of the unemployment insurance plan. He cut VIA. He gutted the CBC and he has imposed the most massive tax grab in Canadian history, the GST.

February 26, 1986, along came the second budget, and what does he say? I quote:

> This budget will reduce the deficit to $29.8 billion in the coming fiscal year and by the end of the decade it will be cut to $22 billion.

He was wrong, because last week he said, not $22 billion but $30.5 billion.

He said, and I quote:

> Our national debt will no longer be growing faster than the economy.

He was wrong.

The federal debt as a percentage of Gross Domestic Product has risen from a debt equalling 46.4 per cent of the Gross Domestic Product to a debt equalling 57.3 per cent of the GDP in 1990–1991. This is an astounding 10.9 per cent increase and while doing this 10.9 per cent increase, totally contrary to his predictions, he has driven us into a made-in-Ottawa recession. He said, and I quote:

> The amount we must borrow each year to pay the bills will be cut from 28.3 billion in 1985–1986 to $17.9 billion in 1987–1988.

He was wrong. Today we are talking about Bill C-97 where he is asking us to borrow, not $17.9 billion, but $26.4 billion.

February 18, 1987, his third budget, and I quote:

> I am also announcing today that in our third year we will get the deficit down to $29.3 billion.

He was wrong.

In his seventh year as finance minister, it is not $29.3 billion. No. It is $30.5 billion.

February 10, 1988, the fourth budget, and I quote:

> For the current fiscal year, I said we would cut the deficit to $29.3 billion. We will meet that target.

Current—he is talking about 1988–1989. He was wrong. He repeated the same thing two years in a row, and both years he was wrong and he is still wrong today.

April 27, 1989, the fifth budget, speaking about the debt, and I quote:

> It is now more than $320 billion.

This was a rise of $152 billion more than when he gave his economic statement back in 1984. In five years, there was a $152 billion increase in the national debt. The government is not reducing the debt. It continues to balloon.

Speaking of the deficit, he predicted that he would, and I quote:

> —reduce the annual deficit to $30.5 billion. Next year, it will be reduced to $28 billion.

He was wrong. Do not forget that in his second budget in 1986, he predicted that the deficit would be $22 billion. In his fifth budget, he revised it to $30.5 billion and he was wrong. He then said that the year after it would be $28 billion. We know he was wrong.

February 20, 1990, the sixth budget of this finance minister. What did he say? I quote:

> We will reduce the deficit to $28.5 billion this fiscal year. We will cut it in half to $14 billion in three more years. And we will reduce it further to $10 billion in the year after that.

He was wrong. Today, by his own admission, it is $30.5 billion. It will not be $14 billion in 1993, as he predicted because he knows he was wrong. In his present budget, he predicts it is going to be $25 billion.

In that sixth budget, he said the following, and I quote:

> —the debt is still growing faster than the economy—faster than our ability to pay.

This surely is proof of his inability, since in all his previous budgets he assured Canadians that he would reduce growth of debt to less than the growth of the economy. Yet, he admitted the debt was growing faster than the economy.

We turn to the seventh budget. He has been consistently wrong for one economic statement and six budgets. Quite an unimpressive track record. This is despite 33 separate tax increases, despite imposing the GST, despite the fact, or perhaps because of the fact that wealthy Canadians are paying less tax than in 1984 while middle and lower income Canadians are paying more tax.

With this type of record, only two things are certain. First, the minister's budgetary predictions will be wrong again. Second, lower and middle income Canadians will continue to pay higher taxes to a government that has been consistently wrong in its fiscal and economic projections.

Finally, a Minister of Finance who has had seven chances and has consistently failed to achieve his objectives should do the honourable thing: resign.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I am pleased to take the opportunity today to be able to speak on Bill C-97, the borrowing authority bill.

This bill flows directly from the Minister of Finance's budget delivered on February 26 of this year. The government's budget, the seventh of this administration, is yet another crystal-ball budget with the Minister of Finance as the fortune-teller for Canada.

This budget and the past six budgets make future promises and blames current failures on previous governments, but neglects to reflect on past budget deficiencies, of which there have been many, many, many.

How does this occur? Well, let us review. Let us reflect upon the promises and predictions of the past. In 1985, the Minister of Finance predicted an $18 billion deficit in 1991. Now, it is $30.5 billion. He predicted $18.5 billion, he delivered $30 billion more deficit.

In 1984, the Prime Minister promised jobs, jobs, jobs. Today, 1.3 million Canadians are unemployed and soon, by government figures, 1.5 million or 10 per cent of our work force will be unemployed.

Last year, the finance minister forecast 11 per cent interest rates, but the rates still remained at 13 per cent. When first elected this government set certain priorities. The debt, the deficit and the economy were the highest priorities of this government. Today the deficit is still $30 billion annually. The debt has well over doubled to $400 billion and the economy is in a recession. Boy, have they delivered on their highest priorities in their years in government. So much for reflections of the past.

• (2050)

Let us say today what are the priorities in this country. I think anyone who is looking at Canada certainly realizes the recession has to be number one. We all realize national unity is certainly among the top priorities. And the problem the government has struggled with for so many years, the debt is twice as bad as it was when they came in.

But does this budget deal with those priorities in any substantial way? Has it done anything to help the farmers, the business people, the people that I see daily in southwestern Ontario? I do not see anything there. Does it do much to help national unity? We have heard person after person rise in this House and talk about the difficulties, the cutting of all of our programs, freezing, restraining, shifting burdens to the provinces, cutting Canadian Jobs Strategy, cutting social housing. We have heard that, one after the other, after the other.

This government is shifting a financial burden from itself to the provinces and municipalities. What is the reasoning it uses? Very clearly it said: "They don't owe as much as we do, therefore they should pick up a bigger portion". I think that is pretty weak logic when you stop and consider the builders of the debt and deficit were the Tories. They doubled it. They promised, and promised,

and promised a reduced deficit but delivered a deficit of $30 billion consistently for seven years. They have not been innovative. Their policies are hampering the national government in dealing with national issues, dealing with national institutions, such as health care, education, training, safety nets.

We are being criticized by many in this country who are saying possibly programs should be delivered at the provincial level. We are splitting in this country over some of these values and yet our federal government in this last budget is negating its responsibility for many of the programs which hold our nation together.

We must look to what is happening, not put our heads in the sand and say: "We'll reduce the debt. A crystal ball will make that happen for us". This government continues to blame past governments for its failures. Seven years of putting budgets together should bring IT to the reality that the problems are its own. This government has caused this recession. This government has caused high interest rates. This government has caused the negative effects of the high Canadian dollar and has caused today's dilemmas.

We heard not six months ago the Minister of Finance bragging about how he kept the dollar rate up to fight inflation. He was warned at that time he would drive us to a recession but he did not heed the warnings. He put us in a recession. He said he was cooling the economy off. We said he was driving us to a recession. His crystal ball is broken.

The government has made predictions for the future. Are they to be believed? Their past track record says no. Yet, the government wants Canadians to believe in these facts, in 2 per cent inflation in this country. We almost did that 2 per cent in one month of this year and yet it is predicting 2 per cent inflation shortly down the line.

They want us to believe that we will lower our interest rates. Well, we have followed very clearly the lowering of interest rates in the United States. Canada has not independently moved beyond that. Canada has only followed the U.S. and the difference in interest rates remains very steady, 4 per cent to 5 per cent difference between Canada and the United States.

The government has said job creation is a high priority and yet it has cut, cut, cut. It said we would have a good economy, but look what it has done to our economy at this point. The businesses that are leaving Canada today will not be returning. Canadians' memories are not that short. Canadians will remember that these are the same things the finance minister has said for seven years: all good things will come; the economy will improve; the deficit will be lowered. Consistently saying it.

Canadians now realize he did not have workable plans. He could not see into the future and he certainly led us down a terrible pathway. The scenario that the Conservative governments are better managers than other governments is totally unacceptable. Every year we are told the next year will be better. Every year we hear the next year the deficit will come down. The fact is, the next years have come and gone and the predictions never come true.

In 1984 the government revenue was $70.9 billion. Today it is $128 billion, an increase in taxes of $57 billion or 81.2 per cent. Yet the deficit still remains at $30 billion. Annually the government revenues have increased more than inflation. Still we have a huge deficit, a huge debt, doubled. The public debt as a percentage of the gross national product is growing. The interest charges on the debt have grown slower than the increases in revenues. No matter how you calculate it, seven years of growth, 81 per cent higher income taxes, yet more than double the debt from $168 billion in the second half of 1984, to its point today, $411 billion. It has not dealt with the major issues in this country. I think every Canadian deserves a better role than has been issued to them today.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, just a couple of words. I certainly will not require 10 minutes in the closing moments of this debate on the borrowing authority.

I would like to point out two things relating to the borrowing authority and the federal budget, two points that have not been made by anybody, have not been mentioned by the news media and certainly not mentioned by the Government of Canada.

The first point is a rather technical point. I was looking a few moments ago at the fiscal equalization payments for this year. Mr. Speaker, I noticed that your province

will be getting a big zero in fiscal equalization because, of course, your province does not receive any funding. The people of British Columbia do not receive any money. Ontario also receives zero. That is to be expected because the formula is based upon the ability of a province to raise revenues through taxation, as you know.

Then when I looked at the other provinces, I looked at Saskatchewan and it is up to over $500 million. Manitoba, coming east, is up to over $900 million. It is increasing this year coming up. And then I looked at Quebec and it is increasing by $53.7 million, up to $3.886 billion.

• (2100)

Then I came to what we regard as being the poorer provinces of Canada, and I noticed that New Brunswick was up $26 million. That is interesting, just $26 million. I noticed that Nova Scotia is up $22.1 million, a little bit less. I noticed that Prince Edward Island is up $4.2 million. Now we are really getting down, are we not, to zero? Then we come to the Province of Newfoundland and Labrador. Do you know, Mr. Speaker, that it is receiving—and these are the official figures from the Department of Finance—less $16.9 million less than it received last year.

We hear speakers in this Chamber, the Minister of Finance, the President of the Treasury Board, the Prime Minister and other members say: "Well, there wasn't really a cut. There was a less than normal increase in these equalization payments". I do not want to give the impression that they were telling fibs, because in fact they were not.

When I look a little bit closer I discover that the federal government is subtracting moneys that are owed by these provinces, it claims, from three years ago. In fact the federal government, according to its audit which was done in January, said that those governments received more money than they should have received back in 1987, 1988 and 1989.

I make this point simply because in our estimates of expenditure we forgive moneys that are owed by foreign banks to the Government of Canada. We forgive moneys that are owed by foreign nations to the Government of Canada. But this government will not forgive money owed by our developing provinces of Canada.

The Newfoundland government is presenting a budget tomorrow afternoon at three o'clock. You can imagine, Mr. Speaker, the attention on that budget tomorrow with these equalization payments to the Government of Newfoundland actually decreasing over last year. Imagine, tomorrow the attention of Newfoundlanders will be riveted on one channel to the budget and probably on the other channel to the Brier in Hamilton, because we have an excellent team there headed by a young fellow, John Boland, who I think is going to become victorious on the weekend.

Between our learned premier, our excellent premier, and our excellent John Boland curling team, we will probably hear a not so excellent budget in the background, delivered by Dr. Kitchen, Ph.D. Next to him is Dr. Gibbons, Ph.D. Next to him is Dr. Warren, Ph.D. I think we have more Ph.D.s in the Newfoundland government than in any provincial government in the history of Canada.

But no matter how learned you are or what a great economist you are, you cannot create something out of negative figures. That is point number one. Point number two is this: I examined the cuts to the departments and I found one interesting thing. We are all politicians in this Chamber, but sometimes—and I looked for this specifically and I found it this morning—I wonder where were the politics in these cuts. I went through the figures and I verified them after with the Department of Finance.

I saw every major development fund cut in this country. ACOA is cut in eastern Canada. The Western Canadian Diversification Fund is cut in western Canada, but the Quebec Development Fund is up $20 million.

The minister in charge of that is of course the minister of industry and it is his decision to make. But I challenge the minister to explain to the Canadian public tomorrow why that fund went up $20 million and every single other development fund in this country actually went down by more than that figure.

Those are two points in government reductions. I can guarantee that that does not do anything for Canadian unity. That does nothing for Canadian unity.

I notice that the press did not pick it up and members did not pick it up. Maybe nothing else will be said of it. But I am going to ask the minister tomorrow to take this transcript and to say something to the members of the House of Commons as to why he used his ministerial authority to override Treasury Board and to transplant an enormous increase into the one major fund and cut the other two major funds in this country.

I say that it is not all as clear as it seems, as it is presented by the Government of Canada. Sometimes we have to look between the lines and we have to ask a lot of questions. And we discover that the Government of Canada has not been forthright. It has not come forward and presented what it has done.

Mr. Speaker, I see that my time is up. I trust that these few words were interesting to you.

The Acting Speaker (Mr. Paproski): There being no further members rising in debate, pursuant to the order made earlier this day, the question is deemed put on the motion of Mr. Wilson (Etobicoke Centre) and recorded division is deemed demanded and deemed deferred until three o'clock p.m., Thursday, March 7, 1991.

It being 9:07 p.m., pursuant to the order made on Tuesday, March 5, 1991, this House stands adjourned until tomorrow at eleven o'clock, pursuant to Standing Order 24(1).

The House adjourned at 9:07 p.m.

HOUSE OF COMMONS

Thursday, March 7, 1991

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 23 petitions.

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

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LAW REFORM COMMISSION

33RD REPORT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, according to section 18 of the Law Reform Commission Act and Standing Order 32(1), I am pleased to table, in both official languages, the 33rd report of the Law Reform Commission of Canada entitled *Recodifying Criminal Procedures*, Volume 1, Title 1.

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATION

TABLING OF THIRTEENTH REPORT OF ACTIVITIES OF CANADIAN SECTION OF AIPLF

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, I had the privilege of representing the Canadian section at the AIPLF meeting in Senegal. Pursuant to Standing Order 34, I have the honour to table, in both official languages, the thirteenth report on the activities of the Canadian Section of the International Assembly of French-speaking Parliamentarians.

[*English*]

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INTERNATIONAL WOMEN'S DAY

STATEMENT BY MINISTER

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, it is my pleasure to rise today, on the eve of International Women's Day, and join with Canadians to mark the gains that women have made toward achieving equality both here in Canada and around the world.

International Women's Day encourages us to reflect on the position of women in our society today and to consider their aspirations for the future. Women in Canada have much to celebrate. We have made great strides in achieving equality in all spheres of society. It has become increasingly clear, indeed, that women's issues are becoming society's issues.

But these gains have not come easily. They are the result of hard work and co-operation. They are the result of women forming effective partnerships to promote ideas and initiate action.

Tomorrow, on International Women's Day, we will honour the spirit of co-operation through this year's theme: "Together Towards Equality".

Partnerships play a critical role in advancing women's equality. Business, labour and government must work closely with women's groups and organizations to make Canada a more understanding and tolerant society. Women must continue to work together, women from all walks of life, including those in the labour force, those working at home, women of colour, elderly women, disabled women, and immigrant women.

As Canada's Minister responsible for the Status of Women, I am proud to co-ordinate our government's initiatives on behalf of Canadian women.

Canada also has a proud tradition of actively supporting and promoting equality for women in major international forums. Within the United Nations, we have worked steadfastly to advance the role of women through our long-standing membership on the Commission of the Status of Women currently in session in Vienna. At this session, Canada has pressed for concerted action to address the priority issues of violence against women, education, the environment, and population.

Last October, I had the honour of chairing the meeting of Commonwealth Women's Affairs Ministers here in Ottawa. This meeting provided our Commonwealth friends with an opportunity to exchange views and share in a vision of a world in which gender equality is the norm and not the exception.

Here in Canada, I have met with more than 130 women's groups and many more women individually over the past year to learn first-hand about the issues that concern them. A meeting with representatives of women's centres last year confirmed my belief of the vital role that these centres play in Canadian women's lives.

I was delighted to join with the Secretary of State in January in announcing the continuation of funding for these centres on an ongoing basis.

[*Translation*]

Mr. Speaker, much progress has been made since the early years of this century, but although barriers to full participation by women in society have been eliminated, discriminatory attitudes, values and behaviour still exist. However, when the Canadian government started its first term, it made a commitment to gradually eliminate these societal problems and has acted accordingly.

[*English*]

Collaborative action among government and non-government sectors has resulted in many substantial gains for women in the past 12 months.

• (1110)

Among these key achievements are the increased parental benefits under the unemployment insurance program. The decision by the Supreme Court of Canada that recognized the battered wife syndrome is a justifiable defence. The initiative taken by the Canadian Judicial Centre to establish an education program for judges on the subject of gender equality, and the announcement of the closure of the Kingston Prison for Women and its replacement with five regional facilities, including a healing lodge for aboriginal women.

Most significantly the government's renewed family violence initiative provided $136 million to the prevention, education and support for projects to counter violence against women and children, representing more than twice the level of funding committed since 1986.

As well, a parliamentary subcommittee is currently examining these issues as they relate to violence against women and the government's role in dealing with this problem.

Canadian women have much to celebrate, but we also must recognize the challenges they have had. Violence against women must continue to be a major priority. Women must be actively involved in decisions regarding the future shape of Canada and national unity. Women must play an important role in international affairs, bringing their perspective to achieve lasting peace and ensuring women's equality around the world.

Our government is fully committed to promoting the rights of women in Canada. We are committed to creating conditions that will enable women to achieve full and equal participation in our society. We are committed to being active members in a strong, dynamic and productive partnership with women to achieve these goals.

Ms. Mary Clancy (Halifax): Mr. Speaker, I would like to begin by thanking the minister for her comments. I am aware of her interest and her commitment. Indeed it has been shown in the time that she has held this portfolio. But I fear that the actions of this government do not reflect a similar commitment on the part of cabinet, the Prime Minister, and the Minister of Finance.

While I do not deny that we have made strides, particularly over the last 20 years, I am afraid it is somewhat like saying: "Well, at least we are still not wearing slave collars".

The unfortunate truth is that in the six and a half years since this government has taken office, the economic status of women has not improved. Indeed, over six and a half years the economic picture has at best remained static and, if it has remained static in the face of increases in the cost of living and in other matters, then

we know that the lot of women is worse than it was in 1984.

Women, if we count in professional women—and this is a small percentage—still make 64 cents for every dollar that men make. If we remove professional women from this equation, women make 50 cents for every dollar men make, and this is the vast majority of working women. These statistics have basically remained unchanged since the 1940s.

We know that women are still locked into low paying, pink collar ghetto jobs. They still face systemic discrimination, sexual harassment, glass ceilings, and an over-all attitude that tends to trivialize the work that women do, even when it is paid. When it is unpaid as in the home and in the volunteer sector, it is virtually ignored.

Women work in conditions that most men would not put up with. Like it or not, immigrant women in this country are still left to the mercy of exploiting employers and virtual slave wages. They are locked into a situation that they cannot escape because of a lack of access to English and French as second language training.

It is a sad fact but the ambitions of the average 18-year old man with a high school education can and will be realized, whereas the ambitions of a 20-year old woman with a university degree will put her into a lower salary scale than that young man with only a high school education.

We sit in a country today where one million children go without pre-school and after school care. Latchkey children are one of the disgraces of our society. Six years ago Judge Rosalie Abella in her royal commission report on employment equity said that child care was the bridge to employment equity.

That is no less true, indeed it is more true today than it was six years ago. Still we wait and the women and children of Canada wait for a meaningful national child care program that will bring us accessibility and quality child care across this country.

Over all hangs the spectre of violence against women, of injury and of death. In my own province of Nova Scotia, a small little province where we think of ourselves as fairly civilized as opposed to the rest of the people in the flesh-pots of central Canada—

An hon. member: That is sexist.

Ms. Clancy: I am not being sexist; I am being geographicalist.

To return to a much more serious point, in Nova Scotia where we tend to think of ourselves as more civilized, we have been proven wrong in this past year because six women have been brutally murdered in the Province of Nova Scotia in the past year. Just last week, the body of a 17-year old girl was found in a garbage dumpster, brutally murdered, in my own metropolitan area of Halifax—Dartmouth. And the statistics go on and on.

[*Translation*]

Daily life is very difficult for some women in this country. They get no help from the government. They deserve a lot more, and they deserve to get it now.

[*English*]

We need in this country action today. We need a royal commission on violence against women. We need to shine the light in the dark corners to prevent more women and their children being brutalized and killed. We all sat back in horror at the events in Montreal of a year ago last December. But in that same year, 119 women died at the hands of men in this country, and nobody thought to mention those statistics.

In 1970, a royal commission was called on the status of women. It was the catalyst for the women's movement and those very real improvements over the last 20 years, which the minister mentioned in her statement. The time has come to do it again, to look at the problem that is the most crucial, the most urgent, for all of us in our society—the question violence.

I ask this so that those victims in 10 years' time will not have increased and we will not still be crying in the wilderness.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I am pleased to be in the House today and to respond to the minister's statement on the eve of International Women's Day. As the minister said and as the spokesperson for the Liberal Party in the House said, women today do have a number of things to celebrate.

We can celebrate the defeat of this government's bill to recriminalize abortion for women in this country; we can celebrate the end of war in the Persian Gulf; and we can celebrate the reinstatement of funding that this government cut to women's centres. These were all defeats, reversals or terminations of government policy.

The Minister responsible for the Status of Women often speaks of partnerships. Her government is creating a partnership between women in this country and poverty. In the middle of a recession it has extended the spending limits on social assistance. It has created a GST, a goods and services tax, an additional tax that no one can afford, least of all single women and lower income women. It has cut spending for health and for education services in our country.

Single mothers and other poor families will find it even more difficult now to feed and clothe their children as a direct result of this government's policies.

The Tories turn their backs on women victims of violence by underfunding programs; by limiting the Canada Assistance Plan, which funds shelters for battered women; by refusing to move on mandatory equality training for judges in a criminal justice system; by allowing violence pornography to continue in our society; by limiting economic options for women; and by cutting affordable housing.

• (1120)

They are adding to the hardships of victims of violence and the hardships of women in our society. They are in fact a part of the problem, not a part of the solution.

By continuing to stall on the enactment of a clause in the Canadian Human Rights Act barring discrimination on the basis of sexual orientation, they are further discriminating against a particular sector of women and men in our society.

The Tories are in partnership with employers who in fact exploit immigrant women in our society. They continue to refuse to give immigrant women the same access to language training that is given to male immigrants.

The government has shelved its own gun control legislation. The government is not in partnership with women who are shot and killed with guns that have been legally obtained, and with ammunition that has been legally obtained. It is not in partnership with the families of these victims of violence.

The Tories are not in partnership with families who have a desperate need for child care and in fact have been promised a child care program in two successive elections, in many speeches by government members on that side of the House. We still have no child care program in Canada.

The government is not in partnership with aboriginal women, aboriginal women who are still tied up in the bureaucracy with Bill C–31.

The Tories are not in partnership with older women living in poverty, unable to have access to their pensions because discrimination still exists in federal pension legislation. In fact, the Conservative government is not in partnership with women at all in this country.

I read the minister's press release. It made me angry, Mr. Speaker, because she talked about moving together towards equality; equality with women's groups whose funding has been cut; with education, which has also been cut; with all levels of government which are choked by federal cuts in transfer payments; with labour, which it has tried to destroy and continues to try; with concerned citizens to whom it never appears to listen. The minister also talked of many challenges to come, and I have listed many of them in my speech today.

If the government does not have the political will to call for a royal commission on violence against women—we must have a royal commission; the reasons are clear—then step aside and allow Audrey McLaughlin and the New Democratic Party to form a real partnership with the women of this country to work towards economic and social justice in our society.

* * *

BILL C–98

REFERENCE TO STANDING COMMITTEE ON AGRICULTURE

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I have a motion that I would like to move. I have discussed it

with the other two parties, and I am sure you will find consent.

I move:

That Bill C-98, an act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for that purpose, not be referred to a legislative committee but be referred to the Standing Committee on Agriculture.

Motion agreed to.

* * *

PETITIONS

GASOLINE ADDITIVES

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today to present more petitions signed by constituents of my region of southwestern Ontario to add to the 4,000 names already tabled in the House.

These constituents are upset the government is dragging its heels on the use of alternative fuels. They are upset no incentives were contained in the budget last week which encourage the use of ethanol blended fuels that have been labelled as being environmentally friendly.

Rather it continues to allow the use of MMT in Canada, a substance which has been banned in the United States since 1978. Increasing evidence points out that MMT may be a worse health hazard than was the lead it replaced.

These people want action now, because this insidious substance accumulates in the body. It is irresponsible to wait.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have three petitions to present this morning on behalf of the great citizens of Kamloops.

One is a take-off on the old water torture technique. The petitioners are still calling on the government to withdraw the goods and services tax. I guess they feel if they keep raising this matter, eventually it will actually happen. They are calling upon the government to reconsider the GST.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, another petition, again on behalf of a number of people from Kamloops, points out again the way the federal government has approached the massive cuts to VIA Rail.

The petitioners are simply making a case of why it would be a good idea, for passenger transportation and also for environmental reasons, to reinstate VIA as a first class rail transport system for passengers.

WAGE DISCRIMINATION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, the petitioners, not only from Kamloops but other British Columbia centres, point out that whereas progress towards true equality for Canadian women continues to be slow in that equal pay for work of equal value is required by law under the Canadian Human Rights Act, they humbly pray and call upon Parliament to implement the results of the equal pay study to end wage discrimination in the federal public service.

Coming on the eve of International Women's Day, certainly this is something we are urging the government to consider with haste.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I ask that all questions be allowed to stand.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): I wish to inform the House that because of the ministerial statement, Government Orders will be extended by 17 minutes during the lunch hour.

GOVERNMENT ORDERS

[*English*]

FARM INCOME PROTECTION ACT

MEASURE TO ENACT

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture) moved that Bill C-98, an act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for

that purpose be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, I am very pleased to present to the House today Bill C-98 for consideration.

Bill C-98 is an act to provide for enabling legislation to allow provinces and the federal government to engage in the development of programs necessary to support and stabilize agricultural farm income. The short title of the bill is the Farm Income Protection Act.

This enabling legislation will go some distance in providing long-term stability to the agricultural industry. What is significant is that it is the first concrete result in one of the most comprehensive reviews of agricultural policy ever undertaken in this country. It will provide a new system of safety nets for Canadian farmers which will deliver programs and assistance equitably to farmers in all regions of the country. At the same time it will encourage sound farming and business practices, thus ensuring there is a clear response to the market signals of not only the country but, indeed, of the world.

• (1130)

It is important to note in that connection that the principles enshrined in section 4 clearly outline the basis on which agreements with the provinces can be negotiated. It is very important to consider the four principles.

Any agreements which are negotiated must be production or market neutral; second, they must take into account the regional diversity of this country; third, they must be sensitive and compatible to international obligations; and, finally, they must provide and encourage environmental and economic sustainability.

This enabling legislation will provide for the following programs: Gross Revenue Insurance Plan; the Net Income Stabilization Account; the Crop Insurance Program and Revenue Insurance Program; as well as the provision for the establishment of special measures.

This new legislation is built upon the provisions of the existing Crop Insurance Act and that part of the Agricultural Stabilization Act which deals with tripartite price stabilization. With the passage of this bill, the Crop Insurance Act, the Western Grain Stabilization Act and the Agricultural Stabilization Act will be repealed and all agricultural products will be protected under this one comprehensive act.

Farmers will be able to choose crop insurance, revenue insurance, or both. They will also be able to set aside money in the NISA accounts which the governments will match.

It is important to point out, Mr. Speaker, that the two programs are clearly compatible and complementary with each other. If we are to have long-term stability, confidence and security for the future, it is important that both the GRIP concept—namely, the Gross Revenue Insurance Plan—and the Net Income Stabilization Account be implemented together.

I will have a little more to say about that. As it now stands, the Gross Revenue Insurance Plan will provide assistance to producers in the short to medium-term. There is some less degree of urgency in terms of the implementation of the NISA concept. I think if we were to consider the deliberations of the task force that designed these programs they outline the importance of having the two programs working hand in hand.

What is really significant about the legislation that we are introducing today, Mr. Speaker, is the way in which this legislation has been developed. It clearly outlines a first in the development of public policy, and in this case agricultural policy. It is fair to say that this program through the means of this legislation was designed from the ground up by farmers, by provinces and the federal government working together as a result of the policy review process.

This is really the product of the agriculture policy review which was launched in 1989 to take stock of where we are at, to look at our industry, to look into the future and try to implement the kinds of policy and structural changes that may be necessary to provide that kind of security and stability for the 1990s and beyond.

In the course of this we have had the support and the co-operation of many groups, many parties, including the provincial governments. Both federal and provincial governments called for this policy review at the regular meeting of the federal and provincial ministers which was held in Prince Albert in August of 1989. That became the turning point in our attempts to lay a new foundation for a solid, responsive, competitive, diverse

and vibrant agricultural industry. It is an important milestone. It is a new approach and it is a comprehensive approach. I hope that as a result of this more comprehensive approach in dealing with the problems of agriculture, we can establish long-term policies and rely to a lesser degree on *ad hoc* policies.

Colleagues will know that in November 1989 we published the discussion paper *Growing Together* to set out the course of this review. Literally everyone who had a stake in agriculture became a part of that review process. *Growing Together* is based upon four pillars: more market responsiveness, greater self-reliance within the agrifood sector, a national policy which recognizes the regional diversity of this country, and increased environmental sustainability.

In December 1989 Agriculture Canada hosted a huge national agrifood policy conference where just under 2,000 delegates from all across the country, reflecting both levels of government and the industry, and all of those involved in the agrifood industry, to come together to talk about a number of issues. We dealt at that time with issues such as food quality and safety, supply management systems, farm finance and management, marketing and trade development, transportation, sustainable agriculture and safety nets.

Following this conference, 11 task forces were established to examine in detail various aspects of agrifood policy. Because of the very serious problems facing the grains and oilseeds sector at that time, it was decided that the committee studying safety nets would be put on the fast track in anticipation of developing a safety net mechanism that would serve the grains and oilseeds but would also be applicable to other commodities.

The federal-provincial industry committee, which I referred to, was formed in January 1990. In May 1990 it presented its preliminary report, which recommended the dual concept of the Gross Revenue Insurance Plan and the Net Income Stabilization Account. I should say that this task force committee reported on a regular basis to the federal and provincial ministers of agriculture. They brought forward their progress reports along with their recommendations. We considered those at that time and gave the recommendations our particular blessing and encouraged them to continue.

They worked on this and a second report was presented in August 1990. Again, the federal and provincial ministers examined the work and the recommendation. In November, when meeting in Winnipeg, we agreed to the principles of the two new programs and attempted at that time to set in place the motions and the mechanisms to implement these two programs.

I want to take this opportunity to express on behalf of not only the federal government, but I am sure provincial governments as well, and I am sure many farmers, to thank all of those who participated in this exercise. They gave of their time and their talents at considerable expense and inconvenience to themselves to come together in an attempt to devise a program that would not only serve the short-term and medium-term problems, but hopefully to provide a policy framework that would allow us to strengthen our industry and provide some predictability and some stability for the future.

It is important to remember that this committee was comprised of some 33 members. They were not bureaucrats working in isolation. They were not politicians working in isolation. The exercise was open. It was transparent. Of the 33 members of this committee, 19 of them were farmers, along with eight provincial and six federal government officials.

The committee studied eight different proposals before it came up with this recommendation. These proposals and various ideas and thoughts were advanced by industry organizations, by academics, by governments, so what we really have here is a bit of a compromise, because in that sort of an environment there is a fair amount of give and take. But I think what we have here is a consensus that reflects to a large extent a program which producers really want.

• (1140)

I think it is fair to say that we have here a program that was designed from the ground up by farmers. The provinces and the federal government worked with them in the development of this initiative, and I am very pleased about the way in which it has developed. The process, as I said, was transparent. All approaches and ideas were considered and again I say, as I have said on so many other occasions, I do believe that this reflects a unique approach to public policy-making in this country, and I think together we have designed a landmark

program which should minimize the need for *ad hoc* assistance.

If this program does work—and I think it will—I think we will clearly establish and demonstrate that in an era of co-operation we can bring diverse points of view together and we can come together as a very diverse nation to develop a policy that is national in scope but that at the same time, takes account of the regional strengths and the regional diversities of this great land.

We have tried to work toward the development of a national agrifood policy. It was started by my predecessor when the national agricultural strategy was first announced, and since that time we have tried to build upon the principles that were agreed to by the federal and provincial governments.

Since I have been Minister of Agriculture, I have had eight different formal meetings with my counterparts, the provincial ministers of agriculture. We have had many, many bilateral meetings with individual ministers and groups of ministers. When you couple that with the tremendous number of meetings that we have with farm organizations, commodity groups and individual farmers, it clearly has opened up the process. I think we have an environment and a mood out there, while we are facing some very serious difficulties. I do not think that we approached the problem with the idea that any one group, any one political party or any one political administration or government has all the right answers, has all the perfect solutions.

We are trying to labour together in looking at the problems and examining what we are doing and trying to determine what we can do better, in an attempt to provide a better future for Canadian agriculture.

The new safety net will deliver assistance equitably to farmers in all regions while at the same time encouraging good management practices based upon long-term market trends. The two components of this new safety net, as I have said before, the gross revenue insurance plan and the net income stabilization account will give farmers the kind of program they really need for the long term and the kind of program that they, the farmers, have been asking for.

It is quite obvious as we have gone through the last four or five years that the existing safety net and stabilization programs that we have had in place were inadequate to deal with the very serious difficulties that we have faced in agriculture. Hence, we were required to come up from time to time with various *ad hoc* programs which had to be designed to meet a certain problem that occurred, a problem that was not covered by the existing legislation or programs that we have had in place.

Indeed, the federal government, under the leadership of our Prime Minister over the past few years has provided unprecedented assistance to our farmers. This kind of assistance was designed to meet a specific need. But whenever you design a program after the fact, there are always inequities. First of all, these kinds of programs are not easy to design, not easy to administer and not easy to distribute effectively and equitably.

We have had to do this and I think that all farmers, governments and literally everyone involved in agriculture, wanted us to look at ways and means of providing a more stable future, improved programs that would allow farmers to plan on the basis of their market intelligence, their managerial expertise, plus the known support that would be there under the government programs. The various programs we have had to come up with have covered an array of situations. For example, the Special Canadian Grains Program, the Canadian Crop Drought Assistance Program, the Special Income Assistance Program, the Cash Flow Enhancement Program, the Livestock Drought Program. We have had programs for grasshoppers. We have had programs for floods. We have had programs for the fruit industry.

We have gone through a period, and I know colleagues will share this with me, that in many respects, has been worse than the dirty thirties in terms of drought conditions and in terms of price.

Just today, we are working out an eradication and a compensation program for the potato industry, particularly, in the province of Prince Edward Island, which has been devastated by a virus that has affected that industry. We have learned very, very quickly in dealing with this process, if wheat is important to Saskatchewan, potatoes are as important to the province of Prince Edward Island. We recognize that and we are dealing with it, again in a co-operative fashion.

Yes, there has been some political grandstanding and some political finger pointing. The fact of the matter is that the job we must do is rid ourselves of the virus, eradicate it and get on with the job of restoring normal production and normal trading patterns, and that is precisely what we are doing.

In the budget of last week, an additional $1.3 billion of new money has been set aside for producers in difficulty. I think this demonstrates another clear example of this government's commitment to the agriculture industry and, particularly, to the farmers.

The long-term programs like the Western Grain Stabilization and Agricultural Stabilization Act, which have been in place for some time, while they have provided some stability and some support for our producers, obviously were unable to deal with the catastrophic and prolonged situation that our industry faced in the last half of the 1980s and the early 1990s.

The Western Grain Stabilization Act was established in 1976 to provide income stability for grain farmers in western Canada. The program was created to counteract the wide swings in cash receipts that are an all too important feature of the grains and oilseeds sector. The fluctuations in cash flow can have a serious effect, as we all know, on a prairie economy, and particularly on the grains and oilseeds sector. So, it is important to have these kinds of mechanisms in place.

What the Western Grain Stabilization Act provides to the grains and oilseeds sector, the Agricultural Stabilization Act does for producers of a wide variety of commodities outside those grains produced under the aegis of the Canadian Wheat Board. And while, as I said, these programs have provided valuable support to farmers across the country, they have been unable to cushion farmers against the low international prices and reduced yields of the 1980s.

What is more disturbing about it is that we are not precisely sure how long this condition will continue. So, it is important for us to look at this, not only in the immediate term, but in the long term.

As we know, the first indication of the problems we now face emerged in 1985 when the European Community and the United States began a struggle over their respective market shares of the world grain and oilseeds market. They fought their battle in the marketplace with the backing of their treasuries and Canada and other mid-sized grain exporters watched as grain prices tumbled. We are the victims of the $245 billion a year subsidy war that is going on right now, as I speak.

The price of wheat dropped from $222 a tonne in 1980–81 to $120 a tonne in 1986–87. This downward price spiral was reflected in the Canadian Wheat Board initial prices for the 1986–87 crop year. It was clear that the excessive use of trade distorting export subsidies by the European Community and retaliation by the United States would translate into a major loss of income for our grains and oilseeds producer, a loss which went well beyond the scope of the WGSA and the ASA programs.

• (1150)

So, we were faced with responding to these concerns. We got together with farm groups to see what could be done. We analysed the scope of the problem and determined that producers would need a billion dollars in support from them for the effects of falling prices. In October 1986, the Prime Minister made a commitment to provide that kind of support.

This was duplicated through the special Canadian Grains Program wherein another $1.1 billion was committed in the following year.

In 1988, prices strengthened somewhat so there was no need for another special grains program. However, that spring in many parts of the country, including the prairies, parts of southern Ontario and Quebec, suffered a very severe drought which devastated yields.

Again, farmers faced financial difficulty and again the federal government stepped in. In November 1988, after a thorough examination of the extent of the losses, we announced the $850 million Canadian Crop Drought Assistance Program.

The amounts of moneys that have been provided by the federal government in support of agriculture between the periods 1985 to 1989 total just under $22 billion, and almost $12 billion provided to the grains and oilseeds producers.

Now the need for help to the farm sector continues today. International grains and oilseeds prices are down and our Canadian producers are suffering. This again is largely because of the continuation of the trade war between the United States and the European Community.

I wish to give some idea of the magnitude, which I am sure most colleagues in this House who follow agriculture are very much aware of, but it is important to state it for the record. For example, the European Community wheat export rebates went from $44 a tonne in July 1989 to $116 in July 1990 and reached approximately $200 a tonne in January 1991. In the same period, United States export enhancement bonuses went from an average of just under $19 a tonne in 1989 to $28 a tonne in 1990, and we now have topped the $50 mark, $50 to $55 a tonne.

Last year the European Community spent $4.3 billion in export subsidies on cereals, and last month the U.S. administration asked Congress to increase its cap on the Export Enhancement Program from $425 million U.S. to $900 million. We now have wheat selling in the neighbourhood of $100 a tonne, although there was some encouraging news last week that wheat prices have strengthened somewhat and let us hope that that trend continues.

Last year this government implemented two new programs to help farmers cope with this situation. Last March we announced a $500 million special assistance program and this was in response to the problems stemming from the international situation, successive years of drought, lingering debt load and high input costs.

We also at that time indicated our intention to continue to continue and expand the Canadian Rural Transition Program which has provided assistance to some 3,500 farmers. We enhanced the Farm Debt Review Board process which has provided assistance to some 11,000 farmers and we brought in place an Equity Leasing Program which, heretofore, has assisted some 400 to 500 producers in re-establishing themselves on the farm.

In October of last year, after we witnessed the second largest crop in the history of Canada, some 60 million tonnes, we announced, with obviously a clogged system and deliveries not running up to par, a cash flow enhancement program to provide interest rate relief to farmers for their unsold crops. This program will provide some $1.5 billion of interest-free cash to the farm economy. It will cost the federal government somewhere in the order of $100 million.

In dealing with the problems and the response, and the uncertainty about what kind of program and when a program would be designed to meet a specific condition, farmers continue to ask for predictable safety-net programs, that would provide equity to producers in all regions of the country. They also ask for programs that would help them manage their farms on their own and they wanted us to deal with this issue on an individual whole-farm approach. In other words, they wanted a safety net program brought in that could be used as a management and financial tool.

I think that the programs that we are trying to legislate today will help meet these needs.

The Gross Revenue Insurance Program will provide farmers with revenue protection. It builds upon conventional crop insurance by offering farmers price support as well as yield protection. For the 1991-1992 crop year GRIP will deliver similar benefits across the country although there very well may be some differences in program design from province to province. We have allowed for that flexibility to gain some experience and to try to adapt as close as possible without undermining the integrity of the principles. We tried to ensure that there would be similarity yet sufficient flexibility to address the unique characteristics of the industry in each specific province.

In under-current market conditions we expect that GRIP will trigger a pay-out something in the order of $2.7 billion for the 1991-92 crop year.

Farmers will be able to buy this price protection through crop insurance. They will continue to be able to buy their yield protection through crop insurance and price protection through the revenue insurance program.

I might add that the crop insurance program is working very well because this House had the opportunity of improving the crop insurance legislation which was passed last year.

Nothing will really change in the manner of how farmers sign up. They will go in and still continue to buy their crop insurance as they have done in other years but they will have an added feature which will be the revenue protection component and by enrolling in both crop insurance and the new revenue insurance plan farmers will guarantee their income per acre for each crop seeded.

Crop insurance premiums will continue to be shared 50 per cent by producers and 25 per cent by each of the federal and provincial governments.

With respect to the revenue insurance program, farmers will pay one-third of the revenue insurance premium. The province will pay 25 per cent and the federal government will pay the remaining 41 and two-thirds per cent.

The advantage of GRIP is that the farmers will be able to calculate their guaranteed total returns early in the spring and this is a bankable commodity. They will be able to take it to their lenders and assist them in making their credit arrangements for this year. This indeed was borne out by the chairman of the Royal Bank, Allan Taylor, who said: "From a lender's standpoint, it's a very positive move—.When your clients have that sort of protection against a crop—a guaranteed price—you've got something much better to work with than the risk-taking that goes without that sort of protection".

There again even without this bill being passed we have sent out a very positive signal to the lenders on whom producers rely and I think that is a good signal.

In addition GRIP offers predictable equitable support across all commodities and regions, and it provides coverage for farm-fed grain—something that the Western Grain Stabilization Act and the Agricultural Stabilization Act have never done.

The program targets assistance to the individual and is therefore a more efficient way, we believe, of providing assistance, and support is based on long-term market trends which encourage sound management decisions.

If there is anything that we could say in reviewing some of the programs that we have tried to design as best we could I think we would find that under this program the assistance will be targeted more specifically to the areas of need.

• (1200)

It will be much more cost effective in providing the kind of support that the producing community will need.

We expect the Gross Revenue Insurance Plan to go into deficit for the first few years of operation but, as in any insurance program, there will be times both of surplus and deficit. But, one of the objectives of the task force was to design a program that was actuarially sound. Provinces have been cognizant of that, we have been cognizant of that, and the producers have been cognizant of that.

When we are looking at this program over the long term we expect it to be actuarially sound. Obviously, over a five-year period that would not be the case, but we are in this for the long haul and will continue to add refinements and improvements as the experience gained from the program would dictate that we should do.

NISA, the Net Income Stabilization Account, would let farmers set aside money in individual accounts with matching contributions from the federal and provincial governments. Farmers can take money out of their individual accounts when their margins fall below the level of the previous five years or when taxable income falls below $10,000. For the 1990 tax year the program is likely to trigger withdrawals of about $225 million, again aimed at those farmers who need it most.

That may be an over optimistic figure because, as I said earlier, I am somewhat disappointed that more provinces have not come on board the NISA program. That is not to say they have rejected it. They are considering it very seriously and I think we will have a fairly comprehensive coverage of the NISA program for the next year.

These programs which we are implementing here today, the GRIP and NISA concept, while it is applied specifically today to the grains and oilseeds, can be expanded to other programs. In fact, there is keen interest in the horticultural sector. We are engaged at this very moment in discussing how to bring the horticultural sector into the GRIP and NISA program.

We recognize that there are some concerns about the program, about its design and how it will influence farmers' decisions. But, this program is not an insurance policy to ensure against bad management decisions. It is really designed to reflect a producer's individual performance and we think that is good. If a farmer grows crops that are not suited to his region or suited to his capabilities, his coverage through crop insurance will be reduced and his premiums will increase over time.

We certainly have our share of critics, some genuine, some armchair. Some say it is too rich. Some say the program is not rich enough. I note that the cattlemen say they are going to choke on GRIP. I find that strange

because they have been involved in the development of the program. I think it is fair to say that we have tried to cure the grains and oilseeds problem and not transfer it to the livestock sector. In the livestock sector, the Red Meat Tripartite Stabilization Program is one that is in existence, and I think it has been well accepted.

We have received other criticisms that suggest the program is not market neutral, that it masks markets signals. Economists, and this I find rather interesting, have lashed out at the program in the last couple of weeks. The development of this program has been under consideration for the last 12 months and we have invited literally everyone to come forth with their ideas and their suggestions. The economists are saying that this program is going to destroy our soil. They say it might destroy incentive. They say that farmers are going to farm the program.

It is something to make those allegations and not really substantiate them.

We are going to have our share of critics, particularly arm-chair quarterbacks. When it comes to examining those criticisms as against the opinion of producers, those of us who are interested in preserving the welfare of and creating a better climate for our agricultural industry will have a tendency to listen to our producers rather than economists. I have nothing against economists; we need them as well.

It is fair to criticize this program in a constructive way, but it would be kind of nice, if one has that criticism, to come up with some positive alternatives and constructive proposals which will help improve.

We claim no ownership of this particular policy. It is certainly under our name. It is one that was designed co-operatively. It was designed by producers themselves, with the support of this government and the support of other provincial governments. It is a program that has been designed to meet a specific need and to build a stronger future for Canadian agriculture.

There are always some simplistic approaches. I notice that the president of the National Farmers Union took exception to the program and said that we should really join it because it is the only thing we have, but he said that it does not meet the need because "we need a policy which pays producers at the farm gate".

I only say to him welcome. He should get engaged in the wonderful world of reality. Those of us who have been close to the agriculture scene know that you do not have somebody come knocking on your gate to seek out an agricultural product that you produce. You have to produce a product that is wholesome, nutritious, in demand, and is sold at the right price. We live in a day and age where the consumer is the king.

While I mentioned some negative comments, there have also been some very positive comments from various quarters: *The Globe and Mail* headline, "Farmers' new safety net will offer much-needed security"; *Western Producer*, "Safety nets pull farm income up from disaster"; another headline, "GRIP 'exactly what lenders need'"; the *Saskatoon Phoenix* and the *Kindersley Clarion*, "Farmers like new programs"; *Kindersley Clarion*, "New farm 'Safety Net' programs get good reception", "New farm aid worth up to $3 billion", "GRIP should be good for everyone"; from letters to the editor, "Farm safety nets worth $1 billion", "Safety net meeting draws large crowd", "GRIP offers better protection", "Farm program is better than expected", "Safety net to provide stable effective coverage", "It's tough, but programs will help"; the *Alberta Wheat Pool Budget*, "Pool pleased with safety net deal"; *The Leader Post* of Regina, "No longer must Prairie farmers nurture without a net"; the *Saskatoon Star-Phoenix*, "Farm aid welcome in West"; and I could go on.

I guess it is balanced. I am sure that members of the House will have some views on it, but I do not think this bill comes as a surprise because the program is not a surprise. It has been developed and it has evolved in a clearly transparent fashion.

The program is not perfect. It is laced with all the human frailties that each and every one of us has, but it is an attempt in a very broad way to try to wrestle with a very difficult problem. I think it is also fair to say that even with this mechanism in place farmers will have the primary responsibility of managing their own risk and using their own talents and their own judgment calls. This is what we refer to as the first line of defence.

• (1210)

Safety net programs that this legislation will allow us to design is the second line of defence which will provide that stabilization, some security and predictability for the future.

On occasions, there will be the necessity of a third line of defence. That is something that we are addressing right now. That is why we have announced the creation of the third line defence committee. The first task of this committee will be to examine the third line defence options, which will provide a bridge and a transition to the new safety net program and allow us to adjust it to the longer term realities of our industry.

They will be looking at debt problems, diversification and adjustment. We will also be looking at options and ways in which we can use the scarce resources in the most effective way possible.

I should say that this bill also provides for the establishment of a special measures committee. It establishes the criteria under which the third line defence programs will be designed, again to try to put some order, some principles and criteria into the system.

Mr. Speaker, I know that my time has expired. I simply want to present this legislation to the House today for colleagues' consideration in the open fashion in which it was developed and in which I tried to present it.

Given the circumstances and the need for this kind of framework legislation, I hope we can proceed with it as quickly as we possibly can. It is expected out there by the producers. It is an important first. It is a program design that has taken place within the open public policy domain, one that I believe can provide a greater security for the future, one that I believe will provide confidence for the future, and one that will restore the kind of vibrant industry that we know our agricultural industry to be.

Going through this period of difficulty, a legislative measure like this one can provide hope for our young farmers. It can also provide the kind of stability and confidence those who have had some very difficult times in the last four or five years will welcome. It will provide something firm and predictable. When they decide to plant their crops for this year, they will have this mechanism at their disposal to assist and guide them in making those very difficult decisions.

Some hon. members: Hear, hear.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am pleased to have an opportunity to speak to Bill C–98, the Farm Income Protection Act, which the minister has outlined before the House today.

This bill provides for the most massive farm support programs, GRIP and NISA, which have ever been proposed to Canadian farmers. Obviously the government has very skilfully managed this program, putting it before Canadian farmers in such a way that the legislation before the House today provides a framework for the federal government to make agreements with the provinces and with producers.

This legislation does not spell out what the premiums will be for producers who want to make a contribution and participate in the program. It does not say what the benefits will be. In some ways, that is the program that farmers have before them. They know the general outline, but they do not know specifically the premiums they will pay or the benefits they will receive, even though the program is well down the road toward contributions.

Clearly GRIP and NISA have a number of aspects about it which are very appealing. The pay–outs are made, for instance, on farm fed grains. There is no requirement to sell grain within a particular crop year to be eligible for a payment. The range of eligible crops compared to the western grain stabilization fund has been expanded and the pay–outs are predictable. The period over which the estimates are being made have been expanded from five years to fifteen years.

For many producers in western Canada there is a great deal of uncertainty because of the massive sales program which has been taking place this winter. Really, the sizzle is being sold but the actual details are not there. When this bill is being studied in the committee stage, technically we will not have the details of GRIP or NISA program before us even there because we are talking about just a framework legislation for signing agreements.

There is no provision in this legislation, for instance, for the GRIP and NISA agreements, which are being put together between the provincial governments that want to participate, to come before the House for members of Parliament to debate or amend them. It is kind of an executive federalism where a deal is put together between the Prime Minister or the Minister of Agriculture

and the premiers, but not by members of the House themselves.

Clearly the need is tremendous. The government during the last three years has reduced government support programs by $1.8 billion. The minister spoke about the payments which were made in 1987 and 1988—and they were promised in 1988—of $1 billion, $1.8 billion, $1.1 billion, and $850 million. Clearly those payments were needed then, but they were needed this year too. They were needed last year. Yet there were massive cutbacks: $500 million in 1989 budget. There was no special grains program this crop year or last year.

If we look at the government's own estimates of support programs, we see a decline from the 1988 to 1991 estimates involving a reduction of $1.8 billion, even though in this crop year grain prices are clearly the lowest in history. Sales of wheat of less than $100 in real terms are clearly the lowest in history.

In the budget estimates last week which the Minister of Finance brought down, he suggested there was going to be $1.3 billion. The prairie pools and farm groups have suggested that there should be a deficiency payment of at least $1 billion, perhaps even $1.3 billion.

Even the minister's own advisory committee has estimated that in this crop year there needs to be a deficiency payment of that magnitude. Yet, when the budget announcement was made, it is not clear exactly what that $1.3 billion will be used for. It is suggested in the minister's press release that it may be used for the Canadian Wheat Board shortfall. That has been variously estimated at $750 million to $1 billion. It might be used for the federal government premiums in the GRIP and NISA programs. It might be used for a deficiency payment this year. Clearly, his own advisory group is telling him that there is a need, as a straight deficiency payment of that amount. So, it is obviously being kept in reserve in case it is needed. If there is a provincial election in Saskatchewan, there can be a deficiency payment made there.

• (1220)

There is a concern that politics is almost as important here to the government as a long-term stable support program for Canadian agriculture. That is what concerns western agricultural producers and to some extent, in other areas of the country as well, that we are really dealing so much with a sizzle here, that we have to be careful that we do not create a program that is not nearly as workable as it should be.

For instance, the minister has outlined the criticisms of the program by agricultural economists and other groups. But I think we would have felt better if he had gone into some detail as to what mechanisms there were in the program. We are not dealing with that program here, we are dealing with enabling legislation. But clearly, this enabling legislation provides for those agreements. Those are the kinds of questions that everybody wants to see answered.

There is a great concern as well, that this legislation essentially is an off-loading kind of legislation. We have seen that the government's support programs have dropped by $1.8 billion during the last three years. This bill seems to move from programs like the Special Grains Program, like the ASA, like the drought assistance, which essentially were totally funded by the federal government, or in the case of Western Grain Stabilization Fund, 60 per cent by the federal government, to off-load onto the provinces and the producers.

Many people in Saskatchewan wonder, for instance, whether a program that is going to cost the producers and the provincial government something like 60 or 65 per cent by those groups, whether payments of $400, $500 or $600 million a year in that province can be sustained, when programs in the past were substantially funded by the federal government. Many people make the argument that if the low prices are due to international grain wars, then the federal government has a responsibility to fund a great deal, just as they have in the past under the Special Grains Program or as the United States government does under its program. Whereas, under this GRIP and NISA program, there is essentially something like 60 per cent or 65 per cent being funded by the producers and the provincial governments.

That calls into question whether this will really be a national program. Under ASA and the Western Grain Stabilization Fund, between those two programs, there was a so-called national arrangement for support. It is not to say that those programs are adequate. Clearly, the Western Grain Stabilization Fund to fight a grain war, an international trade war, was simply not capable of doing that.

At the same time we wonder about the amount of the deficit in the Western Grain Stabilization Fund. It has been variously estimated at $750 million to over a billion dollars. Whether or not that is going to be rolled into the GRIP program and whether it will have to be covered and paid for by the provinces and the producers paying, essentially, 60 per cent of the costs.

Mr. Speaker, there is a great deal of uncertainty and concern. Clearly, there is a desperate need for support, and we want to see that support. Unfortunately, it is my impression that very little, if anything, will be paid out under the GRIP program in this calendar year, 1991. There could be an initial payment later this fall and there could be interim payments sometime, but the kind of massive deficiency payment which the prairie pools, the NFU, and other groups are talking about for this calendar year will not be provided by the GRIP program. In fact, there is no guarantee that any of it will be provided until the fall of 1992, which, under the GRIP program, as I understand it, that would only become due and payable. I think there is great concern as to whether this will be used as a political tool for a fall election in 1992 or used in 1993.

There is great concern and uncertainty: What is the pay-out going to be? When is it going to be made? What are the premiums going to be?

Farmers who worked on the committee, the safety nets program, were working towards a program where the premium would be about 18 per cent of the dollar coverage, with the farmer putting up 6 per cent, and a possible increase of 2 per cent, bringing it up to 8 per cent. I am told by farmers in Saskatchewan that the premium may be as high as 12.5 per cent, with an additional cost of a possible 2 per cent if the deficits are too high in the first year or so and there is provision. The farmer effectively is locked in for four years. He is locked in for the initial year when he signs up and for three additional years. The premiums which the safety net committee had talked about could be doubled from what they had initially started dealing with. So, there is great uncertainty in that regard.

Because farmers desperately need a deficiency payment for the 1990–91 crop year, I believe there is great uncertainty as to whether or not they will have to sign up for GRIP and NISA in order to be eligible for that deficiency payment. I hope that the minister will be able to clarify today, that farmers will not have to sign up for the GRIP program in order to be eligible for a deficiency payment in the crop year 1990–91. It is essential for the minister to clarify that particular arrangement, because it clearly would be most unfair to farmers who do not know what the premium is going to be, what the situation will turn out to be, to be forced to sign up for this to be eligible for a deficiency payment in this crop year.

Those are some of the concerns and uncertainties. Perhaps the government has answers to these questions; if they have, that will be great. We want to see support provided to farmers and we want to see it provided very soon. There has to be support in this particular crop year, with grain prices below $100 a tonne for wheat.

The minister talked about the criticisms of the bill. I wish he had taken some time to deal with those criticisms which have been made by various groups, because I think it is very important to know what mechanisms there are in the proposed GRIP program to prevent abuses such as those which have been signalled by some groups or claimed by some groups.

• (1230)

Section 4 of the bill sets out the need for regional diversity of agriculture, marketing signals, and sustainable agriculture, but the program is not countervailable under the existing GATT rules. It is important that the government respond to those criticisms and explain how market signals are going to be maintained. If there is anything that people do not want in the long run it is a program where farmers farm the system rather than farming, in an efficient and effective way, the land.

I have spoken, for instance, to one seed grower—a seed plant in Canada would, in a normal year, sell to one producer 8,000 pounds of canola seed to seed perhaps 1,000 acres—this year, the farmer is planning to put in all wheat. Looking at the agriculture trends you see why that would be. For instance, the pay-out per acre for red spring wheat is estimated at $44.72 a tonne, whereas for canola it is something like $19.28 a tonne.

It is important that the government explain how the system will work, with all the benefits that should be provided, without masking market signals, without having people farm the GRIP program rather than farming the land. It is essential that the government explain what mechanisms there will be in this program to prevent that, because otherwise we will have a gross distortion in

production, we could have a gross misuse of the land, and move to a system which is not desirable.

I hope that the minister and officials will be able to explain how those market forces are going to be allowed to operate and signals maintained, how there will not be abuses with regard to sustainable agriculture, and how the revenue guarantee will not be subject to a GATT countervail.

We have had enough problems with the United States alone on pork and other commodities; we do not want a countervail on our wheat—our most important agriculture export.

Those are some of the concerns which we hope will be dealt with when we go to a committee stage of this bill and, hopefully, in the debate that takes place during the next few days.

It was interesting that when the minister spoke he provided an estimate of the amount of the benefits of $2.6 billion. The documentation put out by his own department in December showed $2.4 billion. I would be interested to know if the government could provide the changes that have taken place with regard to the amount of the benefits.

We think this is a very important bill. It sweeps away the crop insurance legislation which we spent so much time on last year and essentially just provides an arrangement for agreements with very little of the specificity that was in the previous bill that we passed only a year ago. It will be interesting because it gives a very broad range of arrangements that could take place under crop insurance, quite different from the legislation that was passed only a year ago.

The minister mentioned as well reinstating interest free cash advances. We are amazed that he fought so hard to get rid of interest free cash advances only a year ago and then five or six months later the government reinstated them with larger amounts. We are hopeful that the massive cutbacks that farmers have sustained over the last year or so will be done away with as well.

I think we need to have some arrangement in this legislation for Parliament to have an input into these agreements that are reached with provincial governments. Otherwise, we essentially have an arrangement where the House passes enabling legislation, the government puts together a program with the provinces which will provide benefits of $2.6 billion—according to the Minister of Agriculture—and the members of the House of Commons have no input into that agreement except through the umbrella arrangement—which does not get into specifics, as it did with the Western Grain Stabilization Fund. I think that is very important.

I think serious questions have been raised, both by the minister and by prairie pools and other groups, as to how the legislation will ensure environmental arrangements, market forces, and farm practices. We need to have those questions answered as well. How will the gross revenue guarantee not be subject to a countervail, especially that portion not the crop insurance.

We need to know at this stage, or very soon, what the premium is going to be. The task force that worked on this recommended a 6 per cent premium, now we are hearing estimates as high as a 12.5 per cent premium for the full GRIP program. Can farmers on a $100,000 worth of gross farm income afford a premium of $14,500? Can provincial governments sustain the massive percentage which they will be required to provide? Bearing in mind that in the Western Grain Stabilization Fund, under the previous crop insurance arrangement, under the Special Grains Program, they did not have to make a contribution.

We should not be asked, as members of Parliament, to give a blank cheque for the government to go ahead and cut any kind of a deal that is to the political advantage of individual premiers for their election campaigns. We all remember in 1986 when the premier of Saskatchewan phoned in the middle of the night the former Minister of Justice to demand that the Prime Minister make a payment of a billion dollars to ensure his election.

Surely if GRIP and NISA are ultimately enacted under the authority of this bill there are long-term ramifications. We want to know if there is just going to be a big pay-out in 1992 and 1993 when there is likely to be a federal election? Or, is there going to be an ongoing arrangement where there is going to be a benefit to farmers? I am sure the government has the facts but it certainly has not made them clear to producers or to

members of Parliament, and under this legislation there is no provision for that. It is just a framework legislation where the government can cut any deal it wants and so there should be an arrangement where the agreements that are reached with the provinces come back to be approved by the Parliament of Canada. Otherwise the Parliament of Canada becomes almost irrelevant in this whole situation.

• (1240)

Under the Western Grain Stabilization fund there was a provision that it was covered by the Parliament of Canada. We made the arrangement, members of Parliament if they wished actually debated and amended the legislation, the premium arrangements, the triggering mechanisms, and the pay-out. Under this legislation there is no such provision.

We feel that this is important legislation. It requires a great deal of explanation to members. We want to see it go forward. We want answers to the the questions which we have raised, and which the minister himself has raised. We want to see what provisions there are to prevent abuses and ensure the long-term viability and benefit to Canadian farmers. We believe there should be no coercion by the minister, or by this legislation, to force farmers into GRIP and NISA arrangements in order to qualify for assistance in this crop year.

Clearly the grain industry is facing the worst possible situation. The government has chopped back support programs during the last three years by $1.8 billion—that is $1.8 billion. The world price of grain as a result of the export enhancement program and support programs by the EEC has been driven down below $100 a tonne for wheat. That whole arrangement makes the whole industry unviable without support programs. We want to see a predictable support program put in place that is going to be to the long-term benefit, that is not going to be used as a political mechanism but is going to be there to sustain and support agriculture over the long haul, of what is in my opinion our most important industry.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, we are here today to discuss Bill C-98, a bill which integrates a number of programs in the agricultural area that have been in existence for some time. It will integrate the Western Grain Stabilization Act, the Crop Insurance Act, the Agricultural Stabilization Act under this new legislation.

This is a continuation of a trend we have seen in the last number of years on the parliamentary level where governments are introducing umbrella legislation that effectively asks Parliament to give them the power to do almost anything they like by executive fiat.

This legislation is no different. It follows that scheme. It allows the federal government to make deals with the provinces and with farmers, through the provinces, to come to agreements on Gross Revenue Insurance Program, a Net Income Stabilization Account, and revenue insurance programs.

In brief what is contemplated as near as we can understand is that a Gross Revenue Insurance Program will be put into place in most of the grain and oilseeds areas this spring.

This would provide certain guarantees based on a 15 year index moving average price for each of the 18 covered commodities, which would have the effect of covering wheat at something over $4 or $4.15—in that range—with the percentage of coverage varying slightly from province to province.

On the prairies, it is conceived that the program would be 70 per cent of the index moving average price for those 18 commodities times the average yield as shown in crop insurance in those three prairie provinces. When we get into other parts of the country, there are some other options open. It is possible to use a system of price setting other than the index moving average price, to do a production expenditures model which may prove useful to provinces like British Columbia or Quebec, which are already using a cost of production type model to provide their stabilization programs. They may find that option of interest.

The program also permits the Net Income Stabilization Account which still seems to be in a certain amount of flux. The idea there that seems to be public is that the farmers would pay half of this. The federal and provincial governments would split the other half of the cost.

Frankly, I am not up to date on what the Department of Finance has ruled. The origin of this was to make a self-insurance kind of program which would be attractive to those areas that do not suffer huge fluctuations in production.

The farmer would be permitted to put some money aside, in the original concept, in his own self-insurance fund which would be considered an expense for income tax purposes.

My latest information is that that whole concept has been turned on its head by the Department of Finance. When we get to the committee stage, we are hopeful of getting some of the Department of Finance officials in to explain what they have in mind and what they see it as, compared to the original intent.

The revenue insurance plan program part of this legislation will be a receptacle for the old Agriculture Stabilization Act commodities that have tripartite plans in place. They will now come under the aegis of this program. The scheme for integration is set out in this bill.

When all is said and done, it is a concept which attempts—I think properly—to make some more predictable long term kind of agricultural program. It is not so *ad hoc* as some of the programs that we have had in the past five to eight years. There is still quite a lot of confusion and argument among the farmers, the farm press and the public as to just what is being seen here.

It is a little bit like the old poem that was in our readers when I was in school a long time ago of the seven blind men and the elephant. The seven blind men approached the elephant, and each one found a different part of the elephant to touch. They came to quite wrong conclusions as to what it was in front of them.

Some running into the belly thought it was a wall. Another feeling the tail thought it was like a rope. Another grasping a leg felt the elephant was like a tree. Another feeling its ear thought that the elephant was very like a fan, et cetera.

I suppose, to a certain extent, that is what has happened with the reaction from the various farm organization and the various analysts around the country.

We have a publication from United Grain Growers which does an analysis on GRIP, as it is understood in western Canada at the moment. It concludes that GRIP will produce more acres of crop with lower yields due to fewer inputs being bought, because there is an incentive under GRIP with the current levels of pay-out guarantees to try one's best to hit an average yield. Do not go overboard to try to get yields, because it will only reduce the amount of income that you have. There is a real disincentive to try for higher yields according to their analysis.

• (1250)

They also point out that there is potential, if there are no changes in the current proposals, to make a mess out of the specialty crops, to use their words. What they have said in their report is: "Even a glut of lentils would not prevent farmers from growing more lentils the following year. The support levels in GRIP are fairly static, declining slightly over time". That is because of it being an index moving average over 15 years even though the price this year might drop considerably because a glut of lentils would not show up; it would only be one-fifteenth of the value of the price in the coming year. There are some concerns expressed by some of the groups who have done their analysis on it up to this point.

They point out also that farmers will react not to market forces any more but the new reality will be that they will react to new incentives created by GRIP and these reactions will be to alter acres and to change production decisions.

As well, we have a report from a group of agricultural economists in Manitoba and Saskatchewan: Kraft, Furtan, Rosaasen, Gray and Weisensel. They conclude that the way the program is written now, the way that the agreements that are in the works, federal-provincial, tend in their opinion to favour wheat because it is the safest crop with a fairly high price guarantee. They provide two proposals in their discussion paper which would have the effect of giving all crops equal or similar advantage by using their wheat acreage base as a form of coverage, so it would not matter. The pay-out would be based on an acreage, so to speak, and the farmer could grow whichever crop he thought he would get the maximum return from the market as a result.

Alternatively to that, they provide a rather complex basket per acre approach which would tie in all of the crops that are generally grown in a region and make that the base coverage model. As well, the group of agricultural economists have concerns about the possibility of very large pay-outs because the program does not seem to have any upper limits. They point out that it is very realistically within the realm of possibility that someone who seeds 5,000 acres could be taking home $.25 million of government funds having put in $16,000 to $32,000 in this particular year, or not more than $50,000 in this

particular year as his share of payments. There are some concerns about that.

We have a paper submitted by the National Farmers' Union concerned about the long-term shifts that this program may create to rural communities. They are pointing out that there is a very real off-loading of federal responsibilities and costs on to the provinces and on to farmers. This is particularly difficult for those provinces and regions of the country that are basically rural, particularly costly to the provinces of Saskatchewan, Manitoba and Prince Edward Island where the farm output is very high and the population that is non-farming is relatively low compared to the rest of the country.

They express some concern for the regional sustainability of these very important regions of our country, especially since metropolitan areas require the food that these rural areas produce but are being allowed under this program to opt out of paying so much for the program and leaving those costs up to the rural areas themselves to raise. That concern is echoed somewhat by the Minister of Agriculture for Manitoba, the hon. Glen Findlay who says:

> If grain prices continue the way they are there could be very significant debt.

He is talking about debt to his province. He goes on to say:

> I think Manitoba has taken a more responsible approach because we want to know the exact fiscal responsibility to our taxpayers.

So, Manitoba is bargaining very hard-headedly as to the sharing of the program as far as it applies to GRIP and particularly to NISA.

All of this discussion, of course, has raised the attention of the political columnists, and we have a number of those who have given opinions on GRIP and NISA. I have one here from the Saskatoon *Star-Phoenix*. Les McPherson is a columnist there and I hope he is talking tongue in cheek. He presents his solution to the farm problem thus: "Money could be collected in the cities, loaded into grain cars and hauled by railway to rural elevators. Then, whenever a farmer needed more money he would only have to drive his grain truck to the nearest elevator and load her up. Back on the farm he would simply use his auger to unload his money from his truck into a granary. The beauty of this approach is that it is self-limiting. When a farmer's granary is filled with money he simply would not qualify for any more subsidies."

Now that may be a bit tongue in cheek, but it also does, unfortunately, reflect a growing opinion in those parts of Canada that are not farming and are not more directly dependent on farming, as to what the whole idea is behind transfers of tax dollars to cover expenditures that farmers have to make in order to produce food.

That goes beyond just Les McPherson. Dale Eisler of the *Leader-Post*, who is considered to be a serious political columnist, did an analysis on the Net Income Stabilization Account, NISA, in which he argued fairly strongly that NISA is a special consideration that non-farmers should say no to.

So there is some growing concern from some of the press at least that these programs are very expensive and that taxpayers should not be concerned about continuing the very large pay-outs and large pay-outs are of concern.

I think it would be particularly difficult to explain and sustain the kind of pay-out that Furtan and Kraft look at in their proposal when they say that there should probably be a cap on this because there were caps on WGSA and on the ASA programs that this program supplants. It is hard to explain $250,000 of government funds going into one producer, even though I understand why that producer is probably going to need most of that money.

We have not had much discussion, though the minister did refer to it, as to what the third line of defence is going to be. Even in the country, we are only aware that there are a number of subcommittees working on the so-called third line of defence which was originally perceived to be an established program that would take care of disasters, whether they were international price disasters or weather disasters that were quite beyond the normal ability of these long-term programs, like GRIP and NISA, to look after.

What we are seeing is that the third line of defence is much broader than that. We have subcommittees looking into soil saving programs for regrassing and reforestation. We are not sure whether the third line of this defence also includes encouragement or assistance to have social shifts out of agriculture, but some comments

in the realm of third line of defence make it sound as if that might be part of the program. Some third line of defence programs are looking at development of alternative employment in rural areas to diversify into something either related to agriculture or completely unrelated, as long as it provides jobs.

• (1300)

Some of the third line discussions seem to be looking at assistance with diversification and breaking the grain dependence of some areas in Canada.

Over all, the bill before us is broad enough and vague enough that is is very difficult to be opposed to it. There is nothing there to oppose. There is very little there to support either. It is quite nebulous. It is quite wraith-like in its presentation. It will take form as federal—provincial agreements are signed and as those are made public. We presume that they will eventually be made public. Until that happens, it is almost anything one wants it to be. That is a problem we have with legislation. But, as I said at the outset, that is the new style of government of this particular government: to achieve from the House of Commons the power to do anything it wants and then go on from there to run the country.

We are prepared to allow it to go quite quickly to the agriculture committee for review. In the committee we can seek answers, clarifications and perhaps discuss amendments and some of the merits of amendments that have already been proposed by some of the groups I quoted earlier in my remarks. We can perhaps get the Department of Finance in to explain what it has done to NISA and why it thinks it should not be a self-insurance program but instead a kind of farmers' RRSP or a special retirement fund or whatever it will be used for under what I understand are the current rulings with regard to it.

We will have to look at questions of choice. I was pleased to hear the minister say that no one has one perfect solution. That is particularly reassuring to my ears, because when I hear GRIP and NISA being discussed in my province of Saskatchewan I get the impression that the year after next we will have basically two choices. We can either participate in GRIP and NISA or we can opt out and, if we opt out, we will not be eligible any more for any other kind of government assistance.

It is no longer clear that one can take either GRIP or NISA. Apparently one will not be able to continue with crop insurance and NISA, which is an option a lot of people in the more stable production areas find to be a useful and viable alternative.

I see the member from Assiniboia looking very puzzled. Perhaps he has not done all of the calculations.

Mr. Gustafson: You meant GRIP, not NISA.

Mr. Althouse: Crop insurance and GRIP. The word we are getting so far is that crop insurance will exist under GRIP in two years and that it will not be possible to have a NISA plus crop insurance after two years. That restricts choice considerably, because once he does the economics of it he would find, as my preliminary discussions have discovered, that once outside the more drought ridden parts of the prairies there is not a lot to be gained from joining GRIP. Yet, we are not particularly keen to get out of crop insurance for the odd year when we have hail or frost.

Unfortunately, a lot of the decisions on these programs are being dominated by King Wheat in the southern prairies without reference to the rest of the country, and the rest of the country produces a lot of farm goods as well.

If there are going to be choices, I hope that in the committee we will be able to convince the government and the contracting parties that they should be recognizing that there are more farmers than just wheat farmers.

The questions of cost are also high on farmers' minds, as well as ministers of agriculture. I already quoted the hon. Glen Findlay from Manitoba, but I have been getting calls from farmers in the western part of the province saying that this could be a very costly program for them, that they have no choice but to be in or out. One woman said that this could cost her farm $60,000 to $80,000 in annual premiums and, perhaps better uses could be found for that money.

They want a clear understanding of what the cost is, what they might get out of it. They are quite cognizant that they might get nothing. This coming year, even though I expect, along with most grains analysts, a very low price for wheat, probably about $2.50 or perhaps

even lower, and given that GRIP covers $4.15 you would think that it would be a sure thing for a pay-out. But this is a gross revenue insurance program, so it is price times yield.

Even though the price may be one-half what the target price is, if the yield is double a normal crop, you would have produced yourself out of a pay-out. You may not be able to sell it, but that does not matter to this program. You would simply be sitting there with bins full of grain and no money, and probably complaining and yelling for the kind of solution that Les MacPherson in the *Star Phoenix* was offering: to shovel out money and send car loads to the rest of the bins. Now, because they are already full, there would not be room, I suppose.

Anyhow, those are some of the questions that are being asked. At committee I want to find out more about the assumptions that are being used to achieve what are described as actuarially sound premiums, because some of the premium prices I have been hearing sound as if the government is going to have great difficulty in keeping the fund out of deep debt for a long time.

I am concerned about that because this legislation appears to be intending to integrate the debt that is already there in the western grain stabilization fund account which, on February 1, was approximately $1.1 billion. I think the new act will also probably be required to absorb—though it is up to the cabinet to decide in both cases—the reinsurance fund debt which exists under crop insurance legislation. That is $471 million of debt as well. It is not expected to get itself out of trouble for at least six years, and under this program it may take quite a lot longer than that.

I want to know more about what sorts of arrangements are being made, whether the government is using a 15-year cycle, a 30-year cycle, or whether it is trying to keep program actuarially sound over 10 or 15 years.

There are going to be questions in committee about the cost. Also there will be the question of equity to smaller agriculturally dependent provinces, the shifting and offloading of the cost of food on to the areas that produce the food. Essentially what we are doing when we shift the cost of these programs, which have traditionally in this country been mainly federal in order to sustain prices and look after export problems because there are many metropolitan areas in this country that have a larger income and tax base, and need this food.

This program and this government are proposing—the program does not force them to; it is the kind of deals it is getting into—to make provinces like Saskatchewan carry a very high per capita debt each year in order to get GRIP; to make Manitoba carry a very high per capita debt each year in order to get GRIP and NISA. The same will apply to Prince Edward Island if the program is expanded to include potatoes.

• (1310)

These are questions that have to be dealt with.

Also, we have questions about GATT conformity. We were told by the minister—and I tend to concur—that the legislation itself is not breaking any GATT rules, but the agreements that have been talked about, I believe, are. I believe those are, as they say, "GATTable". Some of our products will be subject to countervail and dumping actions as a result, particularly if we continue with the program as it is now where, as some analysts have pointed out, it has a wheat bias. If we do not take that wheat bias out, our wheat could very well be countervailed.

We have to know fairly soon, whether in committee or in this House. Somewhere the government is going to have to address the very real problem of the one-year GATT payments. Even if GRIP and NISA come into play, the programs will not be putting very much money into farmers' pockets until some time in 1992.

The last government payment to help us fight, sustain, and live through the American-European grain war occurred in July to September across the country, and there will be over a year's lapse in assistance. That gap has to be filled, and this government has to decide very quickly how that is going to be done and when it is going to be done.

Finally, there are questions of sustainability for rural communities, not just sustainable in the economic sense and not just sustainable in the environmental sense. But, if we are going to talk about sustainability in the environmental sense, let's remember that people are part of the environment too. The communities that those people are trying to sustain in those rural areas are also part of their environment; not only their ecological environment but their social environment. These programs that are being developed have to reflect that.

In conclusion, I am prepared to let this go fairly quickly to committee so that the vague assertions of this legislation can be clarified. Hopefully, the agreements that are arrived at between now and the end of the legislation will be made public, and then perhaps the committee will have a better idea of how this dream and this myth can become a reality. Until then, nobody can be particularly helpful with their criticism of this legislation. I hope we can find those answers in committee and that the government is willing to listen to proposed amendments, not only from our side of the House but also as proposed by farm groups, academics and individuals.

The Acting Speaker (Mr. Paproski): It being 1:17 p.m., I do now leave the chair until two o'clock this day.

The House took recess at 1:17 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

SOCIAL PROGRAMS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, while the western world, northern nations of the world, concerned themselves with the crisis and ensuing war in the Middle East, Third World nations, southern nations, have become more and more convinced that the world has passed them by. Already crippled by the financing burdens of their international debts, the gulf war has created calamitous conditions in dozens of Third World countries as a result of increased oil prices and the loss of wage earnings from their expatriate workers in the gulf region.

For the third year in a row, the Canadian government budget has cut Official Development Assistance to Third World countries. Here in Canada families in poverty, including one in six of Canada's children, waited in vain for a sign of concern. Instead of programs to lift our Canadian poor into productive, dignified, secure futures, the already fragile social safety nets were further weakened by this government's last budget.

Neglect of the priority needs of both developing Canadian citizens, our children and youth, and developing nations is to threaten the well-being and security of Canada's future as surely as is the neglect of our national debt.

What we criticize today is not the government's focus upon the need to eliminate our debt, but the inappropriate and short-sighted priorities of the government in achieving its objectives. Two plus more wrongs do not make a right.

* * *

COMMUNICATIONS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, the latest budget has revealed that while Canada's cultural sector is reeling from $18 million in cuts, the Department of Communications has awarded itself an increase of over $41 million, the lion's share of which goes into operating expenses.

Using $41 million for operating expenses while starving Canadian culture is tantamount to a slap in the face for all the dedicated and talented artists in Canada who continue to live well below the poverty line.

The minister should re-examine his priorities. When stalwarts of Canadian culture like the CBC are slashed $108 million and funding for Canada Council is frozen since 1986, how can the minister justify a 13 per cent increase to his department's bureaucracy?

The minister promised last fall to go to cabinet for more funds for Canada's cultural community, but what he neglected to explain was that he would use this money to pump up his own bureaucracy and lavish lifestyle, and not to the benefit of Canada's cultural community.

* * *

FARM INCOME PROTECTION ACT

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, it is my sincere wish that all members of Parliament will support the rapid passage of Bill C-98, the Farm

Income Protection Act. This legislation provides a basic framework under which GRIP and NISA will function.

In western Canada, 70 to 80 per cent of all agricultural receipts are from export trade, 75 to 85 per cent of Canadian wheat is exported, as is 60 to 70 per cent of Canadian canola.

As we all know, the international agricultural subsidy war is having a disastrous impact on the economy of Canadian agriculture. There is no question that the fate of Canada's most efficient and effective industry, that is Canadian agriculture, is beyond the control of the producers. A more stable agricultural sector provides for more viability in our cities, towns and communities. Hence this stability of utmost importance to our small business sector as well.

In Saskatchewan there are critics who claim this process is too complex and too time consuming. These same critics are short of alternatives, short of logical alternatives that must encompass Canada's entire agricultural sector and be responsible to all Canadian taxpayers.

Those critics and the media that pay heed to shallow criticisms do nothing to solve this problem that must be addressed by all Canadians.

* * *

SPRINGHILL, NOVA SCOTIA

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I would like to read into the parliamentary record the following resolution of the town of Springhill, Nova Scotia.

> Whereas the Town of Springhill citizenry, during past major conflicts, participated at the highest level of enrolment in the Armed Forces per capita in Canada—be it resolved the Town of Springhill citizenry support the role the Government of Canada has taken in support of the United Nations war effort in the Persian Gulf, and be it further resolved the Town of Springhill adopts the ships' companies of the HMCS *Protecteur*, the HMCS *Athabaskan* and the HMCS *Terra Nova* as honorary citizens of the Town of Springhill.

All three ships' personnel, military and civilian, will be adopted by the town of Springhill and will receive a certificate to commemorate the occasion.

Springhill has certainly found a unique way to show the pride and appreciation of all Canadians for a job extremely well done by our Armed Forces in the Persian Gulf.

* * *

SOVIET JEWRY

Mr. Jim Peterson (Willowdale): Mr. Speaker, last year, 183,732 Soviet Jews were allowed to leave the Soviet Union to go to Israel. Over the next two years we expect that there will be one million Soviet Jews going to Israel.

The problem is one of absorption and housing in Israel itself. The war destroyed between 3,300 and 7,000 housing units in Israel.

The U.S. and European community are providing aid of over $1.3 billion to Israel. Canada is providing aid to Jordan, Egypt, and Iraq. We have to help the Soviet Jews.

There are disturbing trends in the Soviet Union: new examples of anti-Semitism, new examples of a hard line being taken. How long do we know the door will be open? We have to do the best we can, otherwise the plight of the Soviet Jews might be forever on the conscience of Canadians.

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[*Translation*]

INTERNATIONAL WOMEN'S DAY

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, tomorrow women throughout the world will stop to consider and celebrate the progress they have made on the road to equality.

International Woman's Day is unique in the history of women's struggle equality. It was celebrated for the first time in 1911, to commemorate a strike started by garment workers in New York to protest exploitation and intolerable working conditions.

In Canada, Quebec women have celebrated International Woman's Day since the early seventies. In 1978, women in the rest of Canada joined them, demonstrating their solidarity.

Mr. Speaker, this government wants to celebrate the efforts of women who are dedicated to the cause of equality in our society, and we remain firmly committed to promoting women's participation in the constitutional process and Canada's future.

S. O. 31

[*English*]

THE CONSTITUTION

Miss Deborah Grey (Beaver River): Mr. Speaker, less than a year after his major constitutional initiative died, the Prime Minister has stated his intention to re-enter the constitutional fray because of the Allaire report, saying that he and his government speak for all Canadians in negotiations to formulate a new Canada, re-Confederated, rebuilt, and reborn.

However, if this Prime Minister wishes to speak for all of Canada, then I urge him to seek a mandate on this issue for he has, unfortunately, no mandate and no credibility to lead any further constitutional negotiations. From Meech to Spicer, his road is one of failure.

Reformers would prefer Quebec to remain part of Canada. However, if the goals and aspirations of the people of Quebec are irreconcilable, then it is clear that Quebec and Canada must consider a mutually agreeable and more separate relationship.

The Reform Party of Canada will continue to communicate, to promote its view of a new Canada and to participate in any negotiations openly and honestly. Threats, bullying, and a failure to make a commitment to Canada beyond a mere economic commitment cannot long unite a country. They simply delay the inevitable.

* * *

MULTICULTURALISM

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, over the weekend the Minister of National Revenue stated before a public forum in Scarborough that he did not believe in multiculturalism. He added that he felt multiculturalism should eventually be phased out.

[*Translation*]

How can we believe a minister who says, in no uncertain terms, that he does not believe in multiculturalism? How can we assume he will know the standards set by this legislation and will apply them in his own department? How can we expect this government's commitment to be genuine, when there is dissension on this point in cabinet?

[*English*]

The Prime Minister must tell Canadians whose vision he shares: that of the Minister of National Revenue or that of the Minister of State for Multiculturalism and Citizenship.

As Canadians are trying to understand where this country is going, they need a clear message. The Minister of National Revenue must resign.

* * *

CANON CANADA

Mr. Bob Horner (Mississauga West): Mr. Speaker, too often industry gets a bad rap for being the polluters of our environment. It is time to take another look, because the world is changing and industry is proving that technology and the environment can operate in harmony.

Last month, Canon Canada, a business in Mississauga West, launched its clean earth campaign. Under this program, Canon will collect and recycle toner cartridges used in the company's laser beam printers and personal copiers. In Canada, it is estimated that 1.4 million cartridges will be eligible for recycling in 1991, which should help alleviate the land-fill problem.

This is a significant initiative, but Canon's commitment does not stop there. For every cartridge returned, the company will donate $1 to be shared by the World Wildlife Fund (Canada) and the Nature Conservancy of Canada.

• (1410)

My congratulations to the people at Canon for their vision and commitment to the environment, and for finding a new *r* word to go with reduce, reuse and recycle. Yes, remanufacturing may well be the way of the future.

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[*Translation*]

GOVERNMENT EXPENDITURES

Mr. Louis Plamondon (Richelieu): Mr. Speaker, the Prime Minister talks about restrictions on federal spending, but now, less than a year and a half before the next election, he has just authorized 30 Tory members to move to new offices.

One move may cost as much as $10,000, Mr. Speaker. This means it will cost the House of Commons nearly $300,000 to let 30 members play a new version of musical chairs.

How can the government justify this kind of frivolous spending in the face of budgetary cutbacks, when it has just asked its own employees and all Canadians to tighten their belts?

I urge the Prime Minister to set an example to Canadians and postpone these moves until after the next election.

An office does not the member make, and I think the Prime Minister, the President of the Treasury Board and the Conservative Party whip should put a stop to this foolishness immediately.

* * *

[*English*]

GEOGRAPHIC HERITAGE

Mr. Rod Murphy (Churchill): Mr. Speaker, it has been said that this government lacks a vision of Canada. As it enters into free trade negotiations and agreements with nations to our south, it has ignored our own future. It completely ignores Canada's north.

The budget, the government's estimates and its legislative program indicate a sad lack of knowledge and understanding of the vast potential within our borders.

Where is the northern vision of John Diefenbaker? Why have the goals and dreams of those who explored and settled our nation disappeared? Why is the idea of developing northern ports like Churchill simply ignored? Why have we not trained people to live and work profitably in the vast majority of Canada? Why have we looked at our geography and simply shrugged? Why has this lack of vision prevented Canada from including our native population in developing the north?

Is it any wonder why this nation struggles so much with finding its soul, when it has managed to ignore the very nature of our geographic heritage?

S. O. 31

INTERNATIONAL WOMEN'S DAY

Ms. Barbara Greene (Don Valley North): Mr. Speaker, tomorrow is International Women's Day. Women in Canada have little cause to celebrate, particularly in Parliament.

Participation in the subcommittee looking at violence against women is ample evidence of the indifference of male MPs to this issue.

Indeed, many members of Parliament feel that the ability to blow apart rabbits rapidly is a higher priority than the need to reduce the carnage by guns from which women suffer disproportionately across this country.

Systemic sexual discrimination and harassment are rampant. Women are under-represented on key committees. Many parliamentary association executives, for example NATO, are private men's clubs. Signs and titles such as chairman identify this as a male place.

In a country where one in four women are sexually assaulted and 90 per cent of women experience sexual harassment in the work place, we as parliamentarians must act as a united force to combat this problem.

* * *

OGILVY RENAULT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, friends in greed are friends indeed.

Claude Fontaine sits on the Board of Directors of Petro-Canada.

Claude Fontaine is a senior partner of Ogilvy Renault, barristers and solicitors.

Ogilvy Renault has been retained by the Government of Canada to assist in the privatization of, guess what, Petro-Canada.

Bernard Roy, appointed principal secretary to the Prime Minister in the past, now works for Ogilvy Renault. What another happy coincidence.

The Prime Minister, before becoming Prime Minister by way of Iron Ore, also practised law at Ogilvy Renault.

The Prime Minister and Bernard Roy were roommates at university.

Friends will be friends. Greed will be greed. Tories are always the same.

* * *

ISRAEL

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, today over 200 students from across Canada representing the Jewish Students' Network and NAHON are in Ottawa for their annual lobby day.

The group led by Joey Felsen, Batia Tobin and Marla Silverberg are meeting with members of the House of Commons. Today, there is an urgent call for action due to the housing crisis already facing Israel and the large amount of damage caused by the Scud missile attacks.

The Government of Canada just recently confirmed its intention to extend humanitarian aid to Iraq. In a similar spirit the government should extend such aid to Israel, which has been an innocent victim throughout this war.

The Government of Canada has always supported the cause of Soviet Jewry and, as chairman of the Canadian Parliamentary Group for Soviet Jewry, along with all members of the House, we urge the Government of Canada to aid the people of Israel in rebuilding homes destroyed by the unprovoked attack by Iraq and, in addition, to build additional housing for the newly arrived Soviet Jews.

* * *

FISHERIES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Government of Canada has published a booklet entitled *Sustainable Development and the Northwest Atlantic Fishery*.

The Law of the Sea is invoked to argue the case for restraint in catches. The Law of the Sea was designed to avoid crises in fisheries by affirming the responsibility of all nations to co-operate in conserving and managing fishery resources in the high seas.

The government hopes that the principles of the Law of the Sea will become "ingrained in the strategies of the world's fishing industries" so that ultimately "destructive overfishing will become as rare as it is unconscionable".

This is a great statement, but it is hollow because this government has not yet ratified the Law of the Sea. If the government wishes to be taken seriously on environmental issues, it should at last ratify the Law of the Sea and make sure that Canada does not become the laughing stock of the international community.

ORAL QUESTION PERIOD

[*English*]

THE CONSTITUTION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister.

Yesterday the Prime Minister denied that there is a private committee of senior bureaucrats working on constitutional change behind closed doors.

Does he deny a front-page story in *The Globe and Mail* of January 31, and I quote: "Teams of Deputy Ministers Work on new plan for Canada"?

Does he also deny the statement of his own minister of federal-provincial relations, Senator Lowell Murray, who said: "We're working in the federal government on our own constitutional program"?

Does he deny this statement of his own minister?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend began by saying that I denied the existence of a private committee. I did no such thing. I denied the existence of a secret committee.

Some hon. members: Oh, oh.

Mr. Mulroney: There is no secret committee. The best evidence of that is the newspaper quotes that my hon. friend has just cited It is not secret. It is public—

Ms. Copps: It is a private committee.

Mr. Mulroney: —and it is legitimate work being done by the Government of Canada to—

An hon. member: Bravo.

Mrs. Marleau: Unbelievable.

Mr. Mulroney: Only a Liberal would want deputy ministers not to work. We put them to work in the interests of Canada.

Some hon. members: Hear, hear.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it is clear that the Prime Minister has learned nothing about the lessons from the death of Meech.

[*Translation*]

I wish the Prime Minister would explain what Senator Lowell Murray meant when he said that the government was working on a new plan for Canada. We are worried that once again, the Prime Minister may be working behind closed doors and setting us up for a new constitutional disaster.

Will the Prime Minister inform the House today what the exact terms of reference are of this committee? Will he identify the people on the committee? And finally, will he provide for public consultation on the Constitution? Public, not private and not secret.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Government in the House of Commons told us yesterday that the opposition parties have 9 full days, at their discretion, for debate on a subject they may select.

In the circumstances it would be quite normal, indeed appropriate and quite useful, if the Liberal party, with its present apparent concern for constitutional matters, were to initiate a debate on the Canadian Constitution and, perhaps for the first time, make known their perspective and positions regarding the reform or renewal of Canada. I think that would be a very constructive approach.

As far as the government is concerned, we have started a series of consultations across the country, through the Special Joint Beaudoin–Edwards Committee and the Spicer Commission. Committees at the provincial level are doing their job in this respect and, of course, a number of officials have been asked to consider these issues on behalf of the Canadian government. I think all this is quite normal. We have a responsibility, considering developments in other provinces, and I am thinking first of all of Quebec, to prepare a dossier or a series of dossiers that, in due time, will help parliamentarians make considered decisions to promote Canadian unity.

• (1420)

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the leader of the NDP falsely stated on national television last night that Parliament had voted on December 13 on a motion to expand the mandate of a parliamentary committee studying the amending formula. She also falsely stated that the Liberal Party had voted against it.

I am sure that the hon. leader of the NDP or her party at three o'clock will take the opportunity to correct the record. Unfortunately, no such vote ever took place either on December 13 or at any other time.

Therefore, my question to the Prime Minister is this. Given his reference in the previous question to the work of the Beaudoin–Edwards committee, will he put a motion before the House of Commons today to expand the mandate of the Beaudoin–Edwards committee beyond the mere study of the amending formula? Will he put that motion today and show some leadership so that Parliament can have a public process, not a Prime Minister's process behind closed doors?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as my hon. friend knows, indeed as the country knows, I have a great deal of time for the Deputy Leader of the Opposition, but any lover's quarrels she has with the NDP should be resolved privately, not here on the floor of the House of Commons.

My friend says that the Beaudoin–Edwards committee is involved in mere study of the amending process. Nothing could be more important. It is inaccurate to suggest that this should be cast aside as mere study of the amending process.

My friend refers to the difficulties we had at Meech Lake; indeed we did. I was grateful then for her support and the support of her leader at the time, Mr. Turner, and grateful for the support of the NDP as well. On two occasions we managed to get the signatures of 10 provincial premiers on side to endorse the concepts contained in the Meech Lake Accord in 1987 and in 1990.

Ms. Copps: Will you expand the committee?

Mr. Mulroney: Subsequent to achieving those signatures, we had unanimity for the first time in constitutional history in Canada. We achieved unanimity, but we

then had difficulty in respect of its ratification by a provincial legislature. I will acknowledge that. I also acknowledge that failure to ratify has brought about some very serious difficulties. But that was not the first failure that we have had constitutionally.

In 1982 the Constitution was repatriated without the endorsement of the province of Quebec and that too has brought about very serious difficulties which this government and this Parliament are trying to prevent.

Mr. Speaker: I want to observe that there has been on the part of the opposition some determination to keep the questions shorter and I hope that will be kept under consideration by all sides of the House.

* * *

TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, my question is for the Minister for International Trade. The government has not been open with the Canadian people about what it hopes to achieve in the trade negotiations involving Canada, the United States and Mexico. The minister says he seeks a single comprehensive agreement, not two or three agreements, but a single comprehensive agreement.

What will be in that single agreement? In the existing Canada–U.S. Free Trade Agreement, energy is in. But both the Mexicans and the Americans have said that in a trilateral agreement, energy will be out. How can the government negotiate a single comprehensive agreement when Canada says that energy is in and Mexico says energy is out?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, it must have taken a lot of energy to come up with that question.

Canada has not said energy is out or that anything is out in the proposed negotiations between Canada, the U.S. and Mexico. There will be no negotiation until and unless the U.S. Congress approves the fast-track authority that President Bush has asked them for. So it is not anticipated that negotiations could begin until the end of May or early June.

Mexico has not said that energy is out or whether energy is in. But we all know that Mexico has a very sensitive concern about the ownership of oil. They have said that discussions about the ownership of oil are out because the Mexican Constitution is in. We have said that we are not going to negotiate the terms of the Mexican Constitution.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister continues to obscure the discussions and the Canadian people are no wiser from his answer than they were five minutes ago about what it is they expect.

Yesterday the Minister of Energy, Mines and Resources stated that the remaining limits of foreign investment in the energy industry should be removed. The Minister for International Trade has said repeatedly that the Canada–U.S. Free Trade Agreement does not need to be reopened. The Mexicans say that energy is not in. Canada now says that the remaining provisions in the energy section, Chapter 19 of the free trade agreement, should be reopened.

Will the Minister for International Trade state, once and for all, what it is that Canada seeks in these negotiations and will energy be on the table or not?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, any proper subject for the negotiations on trade will be on the table to be discussed. Whether Canada, Mexico or the U.S. agrees to any particular side of an issue will have to be decided when the issue arises. We will agree to anything that is in the national interests of Canada, but we will not agree to anything that is not.

With respect to investment, I am glad to report that investment in Canada has increased greatly as a result of the Canada–U.S. Free Trade Agreement and we would anticipate this would be even more so under a North American free trade agreement.

I am glad to see that my hon. colleague agrees with me, that foreign investment is good for Canada. It creates jobs and we have been able to get Canada going again as a result of our attitude towards foreign investment.

* * *

[*Translation*]

TAXATION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is directed to the Prime Minister. Yesterday, the Minister of Finance said that we needed the executive tax deduction, and I will quote the minister: "We have a tax system in Canada that we must maintain in a

competitive way with those of other countries, in particular, the United States."

Does the Prime Minister agree with this absurd excuse? Do we have to cut health care so that executives can have a free lunch while hospital waiting lists are getting longer and longer?

Some hon. members: Hear, hear!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I also congratulate the hon. member. I believe that yesterday, the Minister of Finance was talking about tax shelters. I think that was one of the answers he gave to questions on that subject. In fact, the Canadian government has eliminated an impressive number of tax shelters which, in the past, tended to stew the equity of our tax system and the government has turned it into a much fairer national instrument, especially as far as the neediest in our society are concerned. That was the purpose of tax reform, and the minister mentioned a number of examples that are in fact quite the reverse of the point raised by the hon. member from Winnipeg.

• (1430)

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, if the Prime Minister will check the record, he will see that what was raised yesterday was the business and entertainment tax deduction. The Minister of Finance justified it on the basis that we had to be in step with the Americans on this, as we have to be on so many other things. It appears that the only differences we can have in our tax system is that we are allowed to be more regressive than they are with things like the GST, but we are not allowed to be more progressive than they are.

So, I ask the Prime Minister, is this not the first fruits of the free trade agreement? On top of that, why do we see the obscenity made known today that 42 chief executive officers were given a 4.2 per cent increase the day before the government announced a 3 per cent cap on Public Service wages? Why is that? How does the Prime Minister justify that in light of the rhetoric of the government about everybody doing their fair share?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): I think this, Mr. Speaker, is much ado about nothing. The information provided by the hon. member may be interesting, but it is wrong.

I would like to remind the hon. member that for the heads of Crown corporations for the calendar year 1990, we received some months ago from an independent commission a recommendation to give them increases in excess of 6 per cent. We looked at that, not for the coming year, but for the calendar year 1990, and we decided that they would get the same as deputy ministers for the past year, 4.2 per cent. For the next three years, I can assure the hon. member that all Crown corporation heads will get 3 per cent like everybody else.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the 1,400 railroaders in my riding who just learned that they will be laid off for three months this summer because of a downturn in revenues at CNR will be very impressed with that answer, that the government has managed to finesse a 4.2 per cent increase for the head of CN while they have to go on the street.

I go back to the Prime Minister. I have asked this of the Minister of Finance and he refuses to answer, so I ask the Prime Minister. On behalf of the government, would he please tell us why the Business Council on National Issues and all the corporations they represent were not asked to contribute one single penny to deficit reduction? What is the answer to that question? Is it because they donate so much money to the Conservative Party or what?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend knows that as a result of the closing of these tax loopholes—

Mr. Blaikie: What closing of loopholes? Not one.

Some hon. members: Oh, oh.

Mr. Speaker: I am sure hon. members would want to hear the response of the right hon. Prime Minister.

Mr. Mulroney: As a result of the closing of tax loopholes, there are, as the minister has pointed out, thousands of corporations today paying income tax that had never paid corporate income tax in the past in Canada, or paid it on a lesser scale. For example, the chartered banks of Canada, the insurance companies and others who were able to take advantage of various fiscal breaks, no longer can do so. And, for the first time in

many, many years, if not decades, they are paying their fair share of taxes.

My hon. friend is scandalized by some statistics that he raises. Someone showed me—and I will get it for my hon. friend—a statistic about a group of employees working for one of the Public Service unions, because unions have employees themselves. They went on strike some months ago for a month asking for a 5 per cent increase. The union management said it was too high, you must settle for 3 per cent.

* * *

NATIONAL UNITY

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

In answering questions from the member for Hamilton East, the Prime Minister today acknowledged the presence and operation of a senior committee of officials dealing with the question of renewed federalism.

I want to ask the Prime Minister whether he would fully answer the question put by the member for Hamilton East.

An hon. member: In secret.

Mr. Tobin: Yes, in secret, operating behind closed doors, reporting to the Prime Minister.

Will the Prime Minister tell the House today when this committee is scheduled to report to the Prime Minister. Will the Prime Minister also tell the House whether the report of the committee, the recommendations of the committee, will be made public so that the public will truly have an opportunity to participate in the constitution making process this time around.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we are now going through a new phase. It is one of decreasing expectations. When my hon. friend began with this question two days ago, the committee was secret, then it declined to private, and today it is senior. He refers today to a senior committee of deputies. There is one, indeed there are probably many committees of deputy ministers doing various things throughout the Government of Canada. I hope they are.

Ms. Clancy: You mean you do not know? You better find out.

Mr. Mulroney: You can never be sure, Mary.

Some hon. members: Oh, oh.

Mr. Mulroney: If my hon. friend is suggesting that a senior group of officials cannot meet and advise the government of their point of view, this would be a unique burden to be placing on officials of any government. Normally, officers of a government are allowed to come together, pursuant to instructions from a minister and to meet outside of the television cameras and provide advice to their ministers, which is then rejected or accepted. It is the ministerial responsibility to accept the criticism or reject it on the floor of the House of Commons. That is entirely appropriate.

I do not think my hon. friend should be scandalized by the fact that indeed there are many committees of senior deputies at work on various aspects of Canada's ongoing problems. It is entirely normal and prudent that we do that and that they function the way they traditionally have for 123 years and then give advice to the ministers, who accept criticism on the floor of the House.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, Canadians are not scandalized at the prospect of the deputy ministers meeting or their working or that they are giving advice to the Prime Minister.

What they are scandalized by is the notion that even as the Prime Minister tells the people of Canada that this time they will be involved in the Spicer commision, they are part of the public process, in back rooms behind closed doors, in private, in secret, a commission meets and there is no provision to involve Canadians in that process. That is what they are scandalized by.

Will the Prime Minister give a straight commitment to the people of Canada today that this time they will be involved, that the recommendations of this committee, the government's plan held in its hip pocket, for a change will be shared with the people of Canada.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, let me begin by giving, of course, the assurance to my hon. friend that there will be ample opportunity for the public and members' involvement in the evolution, not only of the constitutional provisions on the procedural side, not only with the Spicer commission,

but in other ways where we will have an opportunity to consult.

My hon. friend, however, raises an interesting question, and that is the question of any aspect of secrecy. He is asking me whether I would be ready to throw open the doors of these public servants' meetings to the television cameras. My answer to that is yes, if the Liberal caucus will open its doors when they discuss the Constitution and let us all see what goes on.

* * *

[*Translation*]

TRADE

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister for International Trade. The Canada–Mexico free trade proposal will have a tremendous impact on the environment. In the Canada–US agreement the minister failed to stress the environment. He must not make the same mistake twice. Mr. Speaker, my question is this: Can the minister give the House the assurance that he will insist that Mexican industry observes the same environmental criteria that will be, or are supposed to be, applied to Canadian industry?

• (1440)

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. member fails to recognize that these are different negotiations with the United States. We had a U.S–Canada trade negotiation which resulted in the brilliant U.S.–Canada free trade agreement that has been so productive and so beneficial to Canada.

Some hon. members: Oh, oh.

Mr. Crosbie: Why do you not read the Canada West Foundation report, the Royal Bank report? You people do not read.

Some hon. members: Oh, oh.

Mr. Speaker: I am sure hon. members would want the hon. minister to complete his answer.

Mr. Crosbie: Mr. Speaker, at the same time, there was a negotiation on environmental matters, led by the Prime Minister, which resulted in the clean air agreement that has in a sense been entered into by our two countries.

We have an environmental protocol with Mexico at the present time. If I have the chance, I will research that and pass on additional details to the hon. gentleman.

If there is any need of a negotiation or a treaty on the environment between Canada and Mexico, then we will do it as a separate negotiation, and with the same kind of success the Prime Minister had with President Bush and the United States.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, the minister talks about reading. It is pretty clear that he has not read the green plan.

In the absence of the Minister of the Environment who occasionally thinks about it, let me ask my the question of the Prime Minister.

Quoting from the green plan, the federal government requires environmental impact assessments for all proposals coming before cabinet for decision. A statement of the environmental implications of new policies will be made public at the time that the cabinet initiative is announced.

The Mexican initiative has been announced. The issue is: Will the Prime Minister force his reasonably bumptious and antique colleague to come out of the back room? Did the government make the environmental impact assessments that are called for in the green plan? Will the Prime Minister table the implications now, as he is honour bound to do?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, if the hon. member is correct in his view of what the law is, then we are indeed in very significant difficulty because we are negotiating with 102 countries in the GATT on trade matters, and we have not made an environmental assessment of those 102 countries.

I guess we are doomed by the hon. member to a great deal of additional criticism in that connection. It is a trade negotiation. If we need an environmental negotiation, we will enter into an environmental negotiation with far greater success than the hon. gentleman's predecessor's ever had.

PAY EQUITY

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, during a nationally televised debate at the time of the last federal election, the Prime Minister made a commitment and said that he had already set aside money for pay equity for women in the Public Service.

After what we heard in the budget last week, I want to ask the Prime Minister: In spite of the warnings in the budget, does he intend to keep that commitment to the women in the Public Service? Will he fulfil that commitment to women of Canada? Yes or no?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Yes, Mr. Speaker, without any hesitation, I can repeat the commitment of the government to pay equity.

As you know, we did something that former governments did not do. We settled for a very generous, honest and fair package. It is being contested. We will see where we are, but this is more than the Liberals did over I do not know how many years or decades of government.

We have committed ourselves to this. We have set aside in the budget the money necessary to continue that, and I can vouch that we will continue to proceed in this direction. It is the only good one in any case.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, today we learned that friends of the government, appointees of the government, get raises of tens of thousands of dollars while women, who are at the bottom of the economic system in this country, are told in the federal service that they get 3 per cent or they lose thousands of jobs.

An hon. member: And they lose thousands of jobs.

Ms. Black: Can the Prime Minister assure this House that he will not compound this injustice to women in the federal civil service? Will he assure us that the job losses will not be women's jobs at the bottom of the economic order? Will he assure us that women will get pay equity and be fairly treated by this government, finally?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): I can only repeat that this government has not only spoken about these things but has acted. I would like to repeat that one of the central issues that we have to be concerned with is that we cannot afford not to allow women to bring their full share not only to the federal civil service but to the whole society. I can assure the hon. member that the performance of the managers will be judged on their capacity to deal with these very important issues. We are committed to pay equity and it will be seen that we are, over the months.

Ms. Mary Clancy (Halifax): Words are wonderful. Nearly seven years ago this Prime Minister, on national television, committed his government to economic equality for Canadian women. Today, those women still make 67 cents for every dollar made by men.

I want to know from this Prime Minister what became of this commitment. Is the Prime Minister satisfied with these statistics, and when will he keep his promise and act to seriously improve the economic status of Canadian women?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I always feel badly when all a member can say is negative about the status of women in Canada as opposed to talking about the positive things. I am sure my hon. colleague is aware that there are today 900,000 more women working in this country and that there has been a 77 per cent increase in jobs in administration, management and professional jobs. In fact, there has been more than double the number of women working in those jobs. Fifty per cent of the students now in our colleges and universities are women.

Through the financial initiatives of this government—there are economic initiatives—indeed, the status of women is improving, and we should be encouraging our young women of this country to take advantage of the opportunities which exist for them out in the workplace.

Ms. Mary Clancy (Halifax): Those advantages, Mr. Speaker, may exist somewhere, but one of the places they do not exist is the Public Service of Canada, unless either the minister or her Prime Minister is unfamiliar with the report of the public service, "Beneath The Veneer". In that report we are told that women who work in this Public Service are daily and constant victims

of systemic discrimination. There is no glass ceiling for men.

When is the Prime Minister—and I apologize for being negative—going to act meaningfully to end discrimination for women in his Public Service here in this country and fulfil his commitment?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for a very important question. I know that, as someone very committed to the cause of the promotion of women, she will be very interested to know that the day I was sworn in as Prime Minister, there were three women Deputy Ministers in Canada; there are today 21. There were two women serving as ambassadors; there are now 16. There were 37 women in the federal judiciary; there are now 79. The number of women serving on agencies, boards and commissions—the highest Order in Council appointments of the Government of Canada—has, in the space of six years, after 16 years of Liberal government, been increased by 107 per cent.

• (1450)

Some hon. members: Hear, hear.

* * *

CULTURE

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, in the Canada–U.S.–Mexico trade talks, Canadian culture will again be under attack.

American negotiator, Carla Hills, assured U.S. congressmen that they will get Canadian cultural industries this time, that giving a cultural exemption to Canada in the last round was a big mistake.

Will the Minister of International Trade assure Canadians that in any future trade talks that protection for Canadian cultural industries will be strengthened, and will not be weakened as suggested by the U.S. negotiator, Carla Hills?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I think the members of the House already know from the provisions of the Canada–U.S. Free Trade Agreement that this government is well capable of preserving the strength of Canadian culture and Canadian cultural agencies.

Mrs. Hills is simply expressing on behalf of the U.S. government its chagrin at having failed in the U.S.–Canada free trade negotiations in having got anywhere with reference to the Canadian cultural industry.

I can assure the hon. member that the Mexicans have exhibited no desire to make an assault upon Canadian culture, and as long as I am the trade minister she can depend upon it. Canadian culture is safe.

Mrs. Sheila Finestone (Mount Royal): I know that beer is safer than Canadian culture and I know that we got strangled with clause 2005, so do not tell me what the condition of Canadian culture is, based on what the minister has to say. With the so-called cultural protections that this government has given us, and the minister knows this, our creators, our film makers, our magazines and newspapers and our book publishers are all at risk.

So my question to the Prime Minister, seeing as how he will not let his minister of culture do it—

Mr. Speaker: Perhaps the hon. member would put her question.

Mrs. Finestone: Mr. Speaker, I would kindly ask the Prime Minister to give serious consideration to reinstating a proper film distribution policy, to reinstate the postal subsidies for our magazines and our books, and to enforce Canadian control of the minister's famous Baie Comeau policy. Or, I wonder, Mr. Speaker, if he needs Carla Hills' permission.

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, I can give the hon. member the assurance that the government's responsibility for cultural industries in general and this one in particular is being taken very seriously, that policies have been initiated, and that compared with the situation under the previous Liberal government, Canada's cultural industries are now in far better shape.

Some hon. members: Hear, hear.

* * *

[*English*]

ARMS EXPORTS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is to the Minister of Justice.

Will the minister confirm that a consortium of companies, including General Motors of Canada and Diemaco, has recently signed a contract to export light armoured vehicles. The House saw those types of vehicles in the Oka crisis. They have machine guns on top

of them. The contract is with Saudi Arabia and it is worth hundreds of millions of dollars.

We should confirm that the contract appears to stand in violation of Canadian law.

Is the government considering an amendment to the Criminal Code of Canada and the Export and Import Act to allow this deal to go through?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, as I told the House on December 20 in answer to a question from the hon. member for Kitchener in whose district the firm of Diemaco is located, the government is considering such an amendment. Diemaco is the manufacturer of automatic weapons and as a result of a technical problem in the Criminal Code, its business is interfered with. It has about 500 employees, I believe, in Kitchener and if that firm is to continue operating and supplying automatic weapons to the Canadian Armed Forces, it has to be able to enter into contracts with others outside Canada who pass the intense scrutiny and control that is given to this matter by the Department of External Affairs.

So, yes, that is under consideration as it has been for some time, as I explained in the House on December 20.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a supplemental question for the Prime Minister on this matter. His Secretary of State for External Affairs said the other day: "If there is one priority, one lesson which the world must learn from this war, it is that an unrestricted arms trade in this region, the Middle East, is no longer acceptable and constitutes a threat to the security of all members of the UN". I could also quote his letter to Perez de Cuellar on the matter of arms sales.

Instead, I want to ask the Prime Minister: Is this the time for Canada to be making a record arms sale to the Middle East and indeed, changing our existing gun control and export laws to do it?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, there are arms and then there are arms. We are discussing automatic weapons, that is rifles and other small arms of that nature, machine guns and the like which are necessary for armies, police forces and civil authorities to have if they are to be in a position to keep order in their own countries. We are not discussing other offensive or horrendous weapons of war.

If hon. members will look at the report I tabled yesterday on behalf of the Secretary of State for External Affairs, they will see the small amount of arms exports that Canada does have and the careful system of controls there is. I can assure hon. members that the Secretary of State for External Affairs keeps a very close personal eye on this.

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MIDDLE EAST

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Prime Minister. In light of the statement made last evening by President Bush putting forward a Middle East program, where he underlined the necessity of having a resolution of the Arab–Israeli dispute, I would like to ask the Prime Minister if he agrees with the statement that was made yesterday by the Secretary of State for External Affairs in Jordan, where he said that the PLO must have an important role in any Arab–Israeli peace negotiations.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we were very pleased with the statement last night by President Bush because it in many ways supported very actively the positions that this government set out in a letter to Perez de Cuellar and then again on March 4 in regard to the position of the Government of Canada.

The Secretary of State for External Affairs yesterday, when you read the full remarks, was actually quite careful in respect of this sensitive matter, where he said there obviously has to be a representation by Palestinians and it will be Palestinians themselves who are best placed to determine who their representative should be. Then he went on to say that "In respect of the PLO, its authority I think there has been diminished by this war". I personally believe that the authority of the—

Mr. Speaker: I hope hon. members will remember that yesterday a matter of order was raised as to the difficulty in many members not being able to get to the floor through Question Period. We are in the last few minutes, the Prime Minister is replying and I know that hon. members would want him to continue and conclude his

answer as soon as possible, so that perhaps I can recognize another member.

Mr. Mulroney: Thank you, Mr. Speaker. Obviously any durable resolution of this matter will require discussion between Israel and the Palestinians on the one hand, and Israel and its Arab neighbours on the other. The Palestinian people, as I have indicated in the past, will choose their leaders and their organizations in regard to any participation.

• (1500)

But I must say on behalf of the government that anyone who has looked at the position of the current leadership of the PLO, particularly in its support of Saddam Hussein and its cheering of Scud missiles as they rained on Israel, would have to conclude that the PLO and its leader, Mr. Arafat, have been substantially if not completely discredited as a result of their own actions.

Our strong dissatisfaction with the PLO position and statements on the gulf crisis has been stressed over recent months during official contacts in this regard. We acknowledge that there is an important role for the Palestinians to choose their own leadership, but our enthusiasm for the present PLO leadership is zero.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, whether the Prime Minister or the government is enthusiastic is not my question.

I was asking: Does he agree with the sentiments expressed yesterday by the Secretary of State for External Affairs that the PLO must have a role in helping to negotiate that?

It is a very important issue that is raised at this very sensitive time in trying to develop a peace resolution in the Middle East.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have just given the answer on behalf of the Government of Canada—

Mr. Simmons: No, you haven't.

An hon. member: It is an important issue.

Mr. Simmons: Explain that to Joe.

Mr. Speaker: The right hon. Prime Minister.

Mr. Mulroney: If my hon. friend cares to examine it, he will see that there is nothing at all inconsistent in the principles that I have set out with the full context of the remarks of the Secretary of State for External Affairs.

This has been the position of the Government of Canada and it remains the position of the Government of Canada.

All parliamentarians, those who supported the deployment of Canadian troops to the gulf and those who opposed, will agree that the conduct of the organization purporting to represent the Palestinians has by its very own actions, in my judgment, discredited itself over the course of these very difficult last number of weeks.

I am telling my hon. friend that this is the position of the Government of Canada. We are looking for peace, a durable peace. That peace must respect the security of Israel and it must also accommodate the legitimate rights of Palestinians. This is the way a peaceful solution can be brought about and Canada is committed to that process.

Some hon. members: Hear, hear.

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PRIVILEGE

COMMENTS OF LEADER OF NEW DEMOCRATIC PARTY

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I gave you notice earlier today with regard to a question of privilege concerning the comments made by the hon. leader of the New Democratic Party, which we believe has misrepresented the proceedings of this House with regard to the debate on Motion No. 25, on television last night.

From time to time mistakes in point of fact can be made but the—

Mr. Speaker: The hon. member for Cape Breton—East Richmond is rising on a question of privilege which involves the leader of the New Democratic Party.

As he well knows as an experienced parliamentarian and as other members know, in a matter of this sort we usually try to make some effort to have both of the parties in the Chamber.

I wonder if the hon. member for Kamloops could give me some indication as to whether it would be appropriate to continue at this time, or whether he would ask that we arrange an appropriate time for this matter to be raised when the hon. leader of the New Democratic

Party can be here. I will hear the hon. member for Kamloops on that point.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I might say I was a little disappointed in my hon. friend, the Liberal House leader, for not having the courtesy of informing us that this—

Mr. Speaker: I know that the hon. member for Kamloops will forgive me for saying that I did not want to start a debate. This is a request from the Speaker to the New Democratic Party, and I would like to know what its view is at the moment.

Mr. Riis: Mr. Speaker, our view is simply that we ought to proceed as we always do on these kinds of issues and that they are raised and debated when the members involved are in the House.

I would like to say that the leader of the New Democratic Party will be in the House on Monday, and perhaps we can revisit this issue at that point.

Mr. Dingwall: Mr. Speaker, I will abide by your advice and your ruling. The point is clear with regard to a misrepresentation of fact. I am sure, if I were given the opportunity, that the House leader for the New Democratic Party would want to avail himself of the opportunity to make a simple apology.

Mr. Riis: Mr. Speaker, a simple apology? First, all I can say is that we have a long-standing tradition that if you are going to raise an issue about a member, you wait until he or she is in the House. On top of that, you would have the courtesy of informing the person with whom you are going to discuss some aspect, ahead of time.

We always do that. It is a tradition of this House. I am a little disappointed in my hon. friend that he did not make that effort.

Mr. Speaker: I should point out that the hon. member for Cape Breton—East Richmond has indicated his complete co-operation with the tradition which we have followed.

I take it, then, that we will hear this matter at the earliest convenience on Monday, and we will hear the hon. member for Cape Breton—East Richmond further on that matter on Monday.

Mr. Dingwall: Mr. Speaker, we fully intend to comply with the wishes of the Chair with regard to to this particular matter and would want to co-operate in any way possible, in order to give our friends to the left an opportunity to make a full and complete apology when necessary.

Mr. Speaker: I look forward, with anticipation, to Monday.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, in the absence of the government House leader, perhaps the parliamentary secretary could indicate to the House the business for tomorrow and for next week.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, it would be our intention today to complete second reading of the agricultural bill which is before the House. Should that not be completed by this evening, it would be our hope that it would be completed tomorrow, as well as Bill C-91 for tomorrow.

At this moment we would be looking at an Opposition Day on Monday. We are having ongoing discussions with the House leadership of the other parties. We will continue those discussions, and I think through that information we will be able to inform all members of the House.

Mr. Rod Murphy (Churchill): Mr. Speaker, I will also direct my remarks to the Parliamentary Secretary to the Leader of the Government in the House. As he knows, last week in the House I asked the government when it would be introducing legislation on the northern tax benefit.

I have subsequently checked with our House leader, and it is not in the government's legislative program for the next couple of weeks to introduce that legislation.

I have also been informed that the Senate is going on a break. I would like to know what the government's plans are, in that a number of Canadians in communities across northern Canada want to fill in their income tax. They do not have the legislation passed by this House. Even if they fill in their income tax, there is no way the government is going to pay back any rebates owing to them.

We have been sitting here for a couple of weeks now. The Minister of Finance gave the press the wording of the legislation prior to the House coming back. Why has that legislation not been introduced in the House? Why has it not been put through the House by this time? Why has it not been done prior to the Senate taking another holiday?

Mr. Cooper: Mr. Speaker, I would like to thank the hon. member for raising a very important issue, a question that of course is near and dear to my own heart.

If this is a representation from him and an indication that we would have a quick and speedy passage of that legislation through the House, I would be more than happy to bring that to the attention of the Minister of Finance.

Perhaps we could make a very quick decision in the House and look after those people in northern and isolated communities.

Mr. Murphy: On the same point and just to reassure the parliamentary secretary, we made that obvious to the Minister of Finance weeks ago and we made it obvious in the House last week. I would suggest that it is the government that is stalling on its own legislation.

Mr. Cooper: Mr. Speaker, I want to thank the hon. member for his confirmation of rapid and speedy delivery of this legislation. I will have a discussion with the Minister of Finance and will bring that information back to the House as quickly as possible.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1991-92

MEASURE TO ENACT

The House resumed from Wednesday, March, 6, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-97, an act to provide borrowing authority, be read the second time and referred to the Standing Committee on Finance.

Mr. Speaker: It being three o'clock p.m., pursuant to orders made Tuesday, March 5, and Wednesday, March 6, 1991, the House will now proceed to the taking of the deferred division on the motion at second reading stage of Bill C-97, an act to provide borrowing authority.

Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 392*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bernier	Blackburn (Jonquière)
Blais	Bosley
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Champagne (Champlain)	Clark (Brandon—Souris)
Clifford	Collins
Cook	Cooper
Corbeil	Corbett
Côté	Couture
Crosbie (St. John's West)	Crosby (Halifax West)
Danis	Darling
DeBlois	Della Noce
Desjardins	Domm
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hockin
Hogue	Holtmann
Hudon	Hughes
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	Malone
Marin	Martin (Lincoln)
Masse	Mayer
Mazankowski	McCreath
McDermid	McLean
Moore	Mulroney
Nicholson	Oberle
Plourde	Porter
Redway	Reid
Ricard	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Soetens
Sparrow	Tardif
Tétreault	Thorkelson
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vankoughnet	Venne
Vien	Vincent
Wilbee	Winegard—114

NAYS

Members

Allmand	Althouse
Assad	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Bellemare
Benjamin	Berger
Bevilacqua	Black
Blaikie	Blondin
Boudria	Breaugh
Butland	Caccia
Callbeck	Campbell (South West Nova)
Clancy	Comuzzi
Copps	Dingwall
Dionne	Duceppe
Duhamel	Edmonston
Ferguson	Finestone
Fisher	Flis
Foster	Gaffney
Gagliano	Gauthier
Grey (Beaver River)	Harb
Harvard	Harvey (Edmonton East)
Hopkins	Hunter
Jordan	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kristiansen	Langdon (Essex—Windsor)
Lapierre	Laporte
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacLaren	MacLellan
MacWilliam	Maheu
Manley	Marchi
Marleau	Martin (Lasalle—Émard)
McCurdy	McGuire
Mifflin	Milliken
Mitchell	Murphy
Nault	Nystrom
Pagtakhan	Parent
Peterson	Phinney
Pickard	Plamondon
Prud'homme	Rideout
Riis	Rocheleau
Rompkey	Samson
Simmons	Skelly (Comox—Alberni)
Stewart	Stupich
Taylor	Tobin
Tremblay (Rosemont)	Vanclief
Waddell	Wappel
Whittaker	Wood
Young (Beaches—Woodbine)—91	

The Acting Speaker (Mr. Paproski): I declare the motion carried. The bill will go to the Standing Committee on Finance.

Bill read the second time and referred to the Standing Committee on Finance.

* * *

FARM INCOME PROTECTION ACT

MEASURE TO ENACT

The House resumed consideration of motion of Mr. Mazankowski that Bill C-98, an act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for that purpose be read the second time and referred to the Standing Committee on Agriculture.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, first of all, I want to thank my hon. colleagues opposite who gave me this particular time space to make my speech, as I have a commitment at 4.30 p.m. that I cannot break. I want to thank my hon. colleagues. I appreciate that very much.

This bill is very important to all our friends in the agricultural community in Canada. It is very important to all Canadians. It is safe to say that we cannot have a strong Canada if we do not have a strong agricultural community. We are painfully aware of the plight of farmers. It is unacceptable to all of us in this House, and it is especially unacceptable to the farmers of Canada.

The farmers of Canada are a very proud people. They do not like the situation. They do not want to feel that they are somehow dependent on all of us. If there is any group in this country that wants to be self-sufficient, that wants to be totally independent and free to do its thing on its own without relying on anyone, it is the farmers of Canada. They are a very proud people and I can assure you that I am very proud of them.

• (1540)

As I said, this bill is very important and I can assure my colleagues opposite that there will be no obstruction and no unnecessary delay from this side of the House. We want to see this bill go as quickly as possible to committee.

However, we do have our parliamentary duty and our democratic obligation to debate the bill before it goes to committee. But it will go to committee as quickly as possible as far as we are concerned.

We are all aware that this Bill, C-98, is really enabling legislation. It is legislation which is going to provide, at least in the first instance, two farm safety net programs: the Gross Revenue Insurance Program, known by its acronym GRIP, and the other program, the Net Income Stabilization Account, known by its acronym NISA.

Right now, most farmers are riveted on GRIP. There are some very positive aspects to the GRIP program. Let me just point out some of them, and we agree with our hon. colleagues from the other side. GRIP, for example, will have pay-outs that are made on farm-fed grains. There will not be a requirement to sell grain within a

particular crop year to be eligible for a pay-out; that is positive.

The range of available crops has been expanded; that is positive. The pay-outs are more predictable and that is the one thing that farmers, right across this country, have been asking for. They want some predictability brought into the system. When the grain farmers go out on the land in the spring, they want to know what they are getting into. It does not have to be completely detailed, but they must have a strong idea of what their return is going to be come the fall, come harvest. I think that is very reasonable.

Also, and this is another positive aspect of GRIP, the 15-year moving average of prices provides more support during long periods of low prices compared to a five year average of prices.

I want to point out those positive aspects of the bill.

As you might expect, we have spoken in recent weeks and months to a lot of farmers. There are concerns out there. There are concerns of the producers and, of course, there are concerns of our own.

Let me point out one as a parliamentarian. It really has to do with this legislation which, in effect, side-steps Parliament. It really makes Parliament irrelevant because this is enabling legislation, the kind of umbrella legislation which gives the powerful Minister of Agriculture—and I would hope that his successor will be powerful as well—or, if you will, the Government of Canada, great leeway, power to bring about agreements with the provinces and bring about agreements with producers. We in this Chamber are pretty well reduced to nothing.

In effect, what we are doing with this legislation—and we are going to have to discuss this further—is giving the government of the day a blank cheque, an open cheque. Here is the legislation, do with it whatever you will and you can consummate an agreement with one province, two provinces or three provinces and you do not even have to come back. That is a concern to us and it is a concern that has to be brought up at this time because we feel this sense of responsibility as parliamentarians.

There is another concern that we have, because under this bill, the government is trying to get away with murder. It is trying to get away with murder by off-loading huge costs on to the provinces and on to the producers.

I think that as we look at these agreements, there is going to be an unbearable strain put on some taxpayers and some producers. Let's take a look at an example with respect to the GRIP agreement as it applies to the province of Saskatchewan.

Federal premiums will be increased only 8 per cent. Farmers' premiums will be increased 35 per cent. However, the provincial premium will go up a whopping 355 per cent. That is a lot of money. That is an enormous strain to be put on taxpayers in the province of Saskatchewan.

I was talking to a gentleman just today—and this is a man who knows a lot about GRIP, a lot about NISA, and about farm safety net programs—who feels that there is no way that the province of Saskatchewan could sustain this kind of premium, sustain this kind of agreement, for very long. So that is a concern of ours.

When we say that there is going to be a strain on the province of Saskatchewan—which there will be—I doubt whether that is going to be of any great concern to Mr. Devine, the premier there. That is something that he wants and he wants it badly, because there is going to be an election in the wheat province this year. Not only is he using GRIP as a way of advancing his political interests in the province of Saskatchewan, but he is also looking for some kind of deficiency payment. I would think that he will be getting his deficiency payment some time just before the provincial election in Saskatchewan. How much it will be, I don't know.

When I look at the budget, I notice a provision there for approximately $1.3 billion for agriculture. It is not going to be enough. We have GRIP, NISA, the third line of defence, the deficiency payment, which will have to come some time this spring; we have a deficit in the Wheat Board account; we have a deficit exceeding $1.1 billion in the WGSA. I don't know where the government is going to get all the money. When I look at the budget, when I look at the accounts, there is not enough there.

Another concern we have is that there appears to be an effort on the part of the government to hold a stick over the heads of producers, and the stick really says this: You sign up for GRIP or you are not going to get a deficiency payment. At least, that is the threat. I think that is unfortunate. I would hope that farmers would feel

free, that they would feel as unfettered as possible to make decisions with respect to either getting into GRIP or staying out of GRIP.

While I am on this matter of costs, there is something else I want to raise. Many months ago when GRIP and NISA were being envisaged—and I will speak now only of GRIP—there was talk that the premiums for the three parties—that is, the provincial governments, the federal government and the producers—would run at about 18 per cent, that is 18 per cent of return. That 18 per cent would be split evenly, 6 per cent each way.

However, it is not working out that way. In fact, if you look at Saskatchewan alone, Saskatchewan premiums are going to run at about 12 per cent, 12.5 per cent. That is about 100 per cent more; in other words, double the provincial premium that was envisaged just a few months ago. That is a concern to us.

You have to ask yourself the questions: Are those kinds of increases sustainable? Are those kinds of premiums sustainable? If you can have that kind of premium going up 100 per cent even before the program starts, what is it going to be like a year from now? What is it going to be like two years from now, or three years from now? Those are questions that we have to raise now and, in particular, we have to raise those questions at committee.

• (1550)

While we are at it we might as well raise questions about the deficit. The hon. Minister of Agriculture pointed out in his speech this morning that at the outset, at the beginning of GRIP, there will be a deficit.

The hon. minister says that the program is actuarially sound and the time will come when everything will even out, that there will not be a terrible deficit. I hope he is right, but there are some people around who say that the way it is set up, the way it is currently constituted it cannot fly. It just cannot fly. Those are questions that we are going to have to raise at committee.

Remember one thing, despite all these concerns we do look at GRIP and NISA as a lifeline for farmers. I think that we have a responsibility, an obligation to farmers to throw out to them a lifeline, to help them over the hump, and to help them through this very troubled period. Farmers have been devastated by what has been going on in world markets. This world trade war is crazy. It is an abomination. I think we have an obligation to help farmers through. Farm safety programs are not the ultimate panacea but we have to help farmers through this difficult period.

In the first year of GRIP the estimated pay-out is $2.4 billion. That is a lot of money and the government certainly has gone out of its way to emphasize the amount of money, $2.4 billion. Let us put this thing in perspective. In just the last couple of years, this government has slashed $1.8 billion from agricultural support programs.

In effect, on one hand the government is saying: "Look at how great we are. We have arranged a program that will pay out $2.4 billion". Yet on the other hand, I think it is responsible on our part to remind people of the serious cuts that took place in agricultural support programs in just the last couple of years.

Forgive me, Mr. Speaker, but I must at least for a moment succumb to a moderate bout of cynicism. My cynicism relates to the GRIP payments. It does not take a genius to notice that the GRIP payments more or less will come on stream in 1992 and there will be perhaps another major GRIP payment in early 1993. What is so significant about 1992 and what is so significant about 1993? Look at the parliamentary calendar. My reading of the parliamentary calendar tells me that we might have a federal election in 1992 or early 1993. Would it not be very propitious for our good friends across the way to be sending off, through Canada Post, some big fat cheques to producers at just about the time they are asking themselves: "Who should we vote for". It would be very propitious.

I am sure that did not dawn on my good friend, the agricultural minister. If it did come to him, it must have come to him second hand. In any event, I took note of that.

If you think that this cynicism that I am exhibiting is just pulled out of the sky, it is not. We saw this happen back in 1987 and 1988. Under the Special Grains Program we saw huge dollops of money being handed out to farmers. What happened in 1988? We had a federal election.

Forgive me for my cynicism, but I think it is important to get these things into perspective.

Now, I want to list, since I have only four or five more minutes, some other concerns that will have to be dealt with at committee. This leads to some technical questions. But let me just touch on a few.

There is a concern, a worry on the part of some producers that GRIP is going to be a nightmare to administer. Here is a quote from one Saskatchewan farmer by the name of Jim Coghlin: "When I look at the plan I see a glaring opportunity for abuse; given the times morals can fall out of our pockets pretty fast". That is what the gentleman from Saskatchewan said.

There is a concern about GRIP distorting the market. There have been many questions raised by certain agricultural experts, particularly in the provinces of Manitoba and Saskatchewan. One of the worries they have is that GRIP will distort the market. In effect, what they are saying is this: take wheat, for example, the wheat market around the world says: don't grow wheat, please don't grow wheat, the price is terrible, you can do better elsewhere. But what does GRIP say? More or less GRIP says: grow wheat, please grow wheat, you can make more money growing wheat. And that does not come as any great surprise.

So, there could be some serious distortion in the marketplace as a result of that. We are going to have to pursue this in committee.

There is also the concern that there will be an expanded acreage of specialty crops which could produce—and I underline the word "could"— a glut on the market of these specialty crops. If that happens that would only lower the prices of the specialty crops, and at the same time would raise the costs of the farm safety program.

There is also the worry that the program may discourage good farming practices. I want to mention something that was said by an organization called Agri Decision Research and Consulting of Winnipeg. It points out that a farmer would get the same revenue for a 20 bushel an acre crop as for a 35 bushel an acre crop. The reasoning goes, according to this organization, that if the farmer has to spend money, for example, on fertilizer to get the larger yield, would the farmer do it? Or is he just, in his opinion, throwing money away under the GRIP program?

I think it is a legitimate concern, something that is going to have to be dealt with at some length when the bill goes to committee.

There is also the concern that GRIP discourages diversification, that bankers will be telling producers "stay with the tried and the proven; stay with the conventional cropping, because that is where the lower risks lie; don't try anything too new; don't diversify". It is a concern that we have.

There is also the concern that GRIP will not result in conservation, that at least some farmers will rush out and tear up marginal land, like hay land, to maximize their acreage, to in effect maximize their yield.

While we support the principle of this bill, because we have an obligation to take care of our farmers, they are going through tough times. There are questions about this program, as there would be questions about any program. I think the hon. Minister of Agriculture pointed out in his speech this morning that in anything like this there will be differences of opinion.

• (1600)

If we were bringing in a program something like this, there would be questions. The same applies to this program being brought in by the Minister of Agriculture.

We want it to go to committee as quickly as possible where we can look at this bill in much more detail.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I would like to ask the hon. member a question. I appreciate very much the very constructive and positive tone of his speech. Some of the points that he did raise obviously need to be addressed.

Having regard to the fact that we have gone through a five or six year period where we had disastrous price levels and other natural disasters that have had a very devastating impact upon the agricultural community, particularly grains and oilseeds, perhaps they would have been out of business had it not been for the generosity of the people of Canada and the support that the federal government directed.

I would like to ask him whether in his view this kind of an enabling legislative approach, which outlines certain principles and objectives that bring the provinces into the fold and bring the producers into the fold, may very well constitute a more effective policy measure than simply trying to design a program after the fact, as we have been forced to do, because the existing stabilization and safety net programs were not adequate enough to cover the very severe losses that were incurred.

Does he not agree that this approach would cover all bases in a more effective manner?

Mr. Harvard: Mr. Speaker, I thank the hon. Minister of Agriculture for his question.

I think all of us on both sides of the House, and certainly those out in the farming community, were fed up with what is called ad hockery. The system that we had, where we sort of react to crises, react to the latest events, just did not work, and mainly because farmers never knew where in the world they stood. They did not know how the government of the day, be it Conservative, be it Liberal, might respond.

As I said in my speech earlier, the element of predictability is a very positive one, and this in my opinion is a step toward predictability. I want the farmers to get some better sense of where they stand. When they go out to the land in the spring, they should have some idea of what is in place, what they can expect in the way of a monetary return when they have worked hard all spring, all summer and through the fall.

Yes, I agree with the hon. Minister of Agriculture. I want a framework like this, but at the same time I am concerned that we as parliamentarians or this House are being somewhat side-stepped.

We have seen examples of so-called executive federalism in the last few years. Sometimes it works; sometimes it does not work very well. As one parliamentarian, a backbencher on the opposite side, I am a little concerned when I see ministers of the federal Crown and premiers or ministers of the provincial legislatures getting together and doing their thing as if the House of Commons was not important at all.

But, yes, if the minister were also suggesting wide consultation, I am all in favour of that and I am very glad that farmers in the last number of months have had an opportunity to say their piece. When I look at this bill, I can see farmer written into it, without a doubt, and that I appreciate.

Mr. Mazankowski: Mr. Speaker, not to prolong the debate, but I find it very intriguing. I share his view. I am as much a House of Commons man as the hon. member. I appreciate the significance of the institution and the importance of it.

What we have tried to do here is seek a balance. If we have a legislative measure that has rigidity built into it, as we have had, it is very difficult for any government to respond to these kinds of circumstances. What we have been trying to do in the process of the enabling legislation is to build in certain principles and establish flexibility, so that we can respond in a way that provides some predictable nature in the programs we are establishing. I guess it is that balance we have tried to achieve.

The opposite to that is legislative framework that is far too rigid and that does not give the flexibility to respond to these kinds of things.

I am glad that the hon. member did make the point that producers had been involved. What I find very fascinating and intriguing about this whole process is that I firmly believe—and it may very well set the stage for a new era of public policy making—that while this might take a little longer and our patience has to be a little more controlled, in the final analysis we can get a better piece of legislation and hopefully a better program with the broad based consultation we have tried to engage in.

Mr. Harvard: Mr. Speaker, again I thank the hon. Minister of Agriculture for his comments.

Let me just make two points. I am hoping that through this process in the House we can improve the bill. When it goes to committee, I would hope that the minister and the government would entertain some amendments. We humbly suggest that it can be improved in some areas.

Another thing I want to point out is that the hon. minister talks about balance. I want to see balance as well. I want to see a balance that is fair to the federal government, a balance that is fair to the provinces, and a balance that is fair to producers, but I am not absolutely sure whether the balance we all want has been arrived at.

As I pointed out before, the premiums come pretty hard on the provinces. I cite the example of the province of Saskatchewan, where premiums are going to be horrendous for them. The burden on the provincial taxpayer in Saskatchewan is going to be nearly unbearable.

I remind the House of what someone told me just today, that he does not think in the case of Saskatchewan—and we might even throw Manitoba into this—that Saskatchewan can afford this program. The taxpayer in Saskatchewan cannot afford it. The day will come; probably not until Grant Devine is gone or at least until after the next provincial election, but some change is going to have to be arranged because it is simply too burdensome on the provincial taxpayer in Saskatchewan.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Before I recognize the next speaker let me say the following:

[*Translation*]

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Glengarrry—Prescott—Russell—Unemployment; the hon. member for Okanagan—Similkameen—Merritt—The Lumber Industry; the hon. member for St. Boniface—The Budget.

[*English*]

I will recognize the hon. member for Lambton—Middlesex, then I will recognize the hon. member for Nanaimo—Cowichan.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today to take part in this debate on the farm safety net program with which the minister has led off this debate today.

• (1610)

I speak with apprehension, but I do want to say that I recognize the need for a safety net program. I only wish this safety net was a little higher off the ground. Let us look at what is happening across the border in the U.S. in terms of its wheat target price this year which is $4.60 a bushel. Ours will work out to about $4.25 a bushel. I am talking Canadian funds here in both instances.

Then I look at our input costs which are about 25 per cent higher in Canada than they are in the U.S. I updated these just two weeks ago. I wonder how we as Canadians are going to produce in competition.

I should just take a moment to point out that the wheat prices are the lowest in history at the present time. Yet, when I look at the farmer's share of wheat that goes into a loaf of bread, it is only worth 6 cents per loaf. The one-pound package of sugar cookies contains 2 cents worth of wheat. Spaghetti, in a package that costs $1.19 there is 24 cents worth of wheat. In a 40-ounce bottle of rye whiskey, there is 1 cent worth of grain. In a bottle of beer, there is 1 cent worth of barley.

Everybody else in society has had their return from the marketplace, except the producers. Their returns are being forced lower and lower every year, to the point where it is going to be very difficult for the farmers of this nation to survive.

The minister mentioned earlier that this program had to be revenue neutral. I attended a producers' meeting here just about three weeks ago where one of the officials there from the commodity organization warned the producers not to go out and bid up the price of land because this program will not pay off the mortgage.

I want to make that point very clear at the outset. It will not pay off the mortgage or the debt. It may sustain the farm at the current level, if in fact there is a reasonable interest rate on the mortgage.

In response to the comments by the minister that it had to be market responsive, I ask: What does he mean by being market responsive? The price setting mechanism in the marketplace for the last number of years is simply not working, nor is it being allowed to work.

I want to point out two or three things things here. Perhaps I should say that the February 1991 issue of the *World Grain Situation and Outlook* points out that the grain reserves are the lowest since the 1970s. In fact, the United States' supplies are about one third the level that they were in the early 1970s. They are the lowest since the early 1900s.

Consequently, if the market is going to respond, then those prices should have been a lot higher than they are right now. The farmers should never have been forced into the position they are.

Let us recall some witnesses we had before the agriculture committee of this House last spring. It has been further documented since that time that the Chicago Board of Trade is being influenced by very large infusions of money and by very large corporations.

Two or three years ago, 68 people were indicted in that Chicago Board of Trade. Eight of those immediately pleaded guilty. We recall last summer, the last Friday of July and the last Monday of July, when the price of barley at the Winnipeg Grain Exchange dropped to the limit on those two consecutive trading days.

There is a lot of speculation of what has happened, but I just have to suggest that perhaps the ongoing investigation for several years has more work ahead of it.

The market system is not responding to supplies, and yet the farmers are being forced to accept lower prices as the supplies fall into fewer hands in the grain trading nations. The U.S. Acreage Set Aside Program also has an impact on prices because they start out in the early part of the year and establish their various target prices for the farmers, and that is referring to the $4.60 pay-out which I mentioned earlier.

They also calculate what they think the market price will be. Then of course the difference between their calculated market price and their target price is their deficiency payment. So why would any grain company pay more than what the forecast market price is going to be?

Of course on top of that we have the Export Enhancement Programs that are having a direct influence and we saw that at various times last year and again this year when the U.S. export enhancement payments ranged from $19 per tonne up to $52 this year. If you figure that back to the farm gate, in Canadian terms, it works out to about $27 per tonne for our wheat at the farm gate.

The marketplace is not working. It is not reflecting the world supplies. Neither is it reflecting the free marketplace system.

I would have to suggest that while this bill will go a long way to resolving a problem if these low prices continue—and we have no evidence at this point that they will not continue—there is going to be a terrible financial burden placed, not only on the shoulders of the farmers of this nation, but also on both levels of government.

There is no substitute for getting your returns from the marketplace. The farmers' returns which I quoted earlier for a loaf of bread, which costs approximately $1, are very low from that, and of course the other items I mentioned are equally as important.

I look at what is happening on those world markets and I have to quote from a publication from the state of Michigan which I picked up two weeks ago. It reads: "The current local farm price for corn has been about $2.23 a bushel. The release price for corn in the farmer owned reserve is $3.25 per bushel. The Secretary of Agriculture could keep this corn off the market until the market price reaches $3.25."

You would think he would at least hold it until the market price reaches $2.75 a bushel. However, it is being released on to the marketplace at the present time to further depress our markets here in Canada. A lot of that is Commodity Credit Corporation corn that may be several years old and which is coming into our markets to be blended with higher quality corn and having a disastrous price impact on our own markets.

The prices have edged up a little bit the last week or so, but were off a bit yesterday.

So it does not reflect at all what is happening in the marketplace. It is interesting that when the U.S. released, or sold, an additional 1.5 million tonnes to China on the export enhancement program, they paid their export enhancement subsidies in the form of other commodities. This is a real sweetheart deal for the big grain companies because these subsidies are charged to farm programs and the cost is paid by the farmers.

How does it work? A net exporter sells grain to a foreign market and the export enhancement programs allow the grain exporter to capture the sale by offering grain at or below the world market price and the subsidy will cover the difference between what the exporter paid for grain and the sale price, plus his profit margin.

As I said earlier this is not paid for in money. It is paid for with a commodity certificate for the specific number of dollars. These certificates are paid for in Commodity Credit Corporation grain.

This action in turn continues to depress the price of corn. Cheap corn in turn is great for the six or eight big companies who not only export most of our grain but are also the biggest processors of grain and beans. These same corporations over there feed cattle, hogs, and chickens; they operate meat packing plants, crush soybeans, manufacture cereals, flour mills and own restaurants. They are the benefactors really of that program and the low prices that are involved.

• (1620)

I have to wonder, when we look at the free trade agreement and all the hoopla that came with it, just why—with all those export enhancement subsidies being paid by the United States, export enhancement subsidies that are allowing them into the marketplaces of other countries of the world—under the free trade agreement this government has not taken action to ask for consultations. It is very clear under Article 701.4 of the free trade agreement that the U.S. is to take into account the effects of its export subsidies to other nations on Canada to ensure they do not prejudice our exports.

In view of what I have said to this point, I call on the government now to ask for those consultations to increase the price of world grains and to make the United States live up to their agreements and stop taking our markets that are depressing our prices, necessitating the need for a program that is going to cost a lot of money to our wheat and corn farmers across this nation.

It is interesting that the government can withdraw from this program with just two years' notice. Yet if a farmer wants to withdraw, that requires four years' notice. What is sauce for the goose should be sauce for the gander. Consequently, I want to see something done to ensure that there is an opportunity in that legislation for consultation. If the government can withdraw in two years because the program is no good or it is putting undue financial hardship on the farmers or the provinces, farmers should have a similar accommodation under this bill.

Nobody knows what is going to happen with this bill in terms of the costs. We are already hearing some of the provinces complain about the high costs involved with their involvement. We have to recognize that this whole area has been a transfer of responsibility not only to the provinces, but also to the farmers involved.

When I see that the level of premiums for corn is somewhere around $12.50 an acre; for soybeans $13.91 an acre; and for wheat probably about $15 an acre in Ontario, I have to wonder how the farmers are going to come up with that level of money if these prices do not improve over the next three or four years, unless there is a dramatic turnaround in world prices. Certainly I do not see that coming unless there is a natural disaster, and let us hope there is not one.

I think that the government should be working more strenuously to make sure that the marketplace reflects the world supplies and the producers themselves can get their returns from the marketplace, and have a return that is commensurate with that of the rest of society. It makes no sense to me at all that we have the involvement of our government in a program form which the producer gets such a small amount of return.

I also call on the government to establish a two-price system for wheat and other commodities that are used here in Canada, such as we had a few years back, because you can bet your bottom dollar that is exactly what the U.S. target prices reflect, a two-price system in the United States.

As I said earlier, I will be supporting this legislation but it does not go nearly far enough. There has to be a lot more thought put into this. I hope the government will be open to suggestions when this comes into the agriculture committee for more study.

The other thing that I am very concerned about is the fact that we have not seen these agreements. We do not know whether the agreement with the prairie provinces will be the same as that with Ontario, or the Ontario agreement will be similar to that with Quebec. What will those pay-out prices be per bushel? Will one province have a lot higher pay-out than another one? Will that in turn affect the comparative advantage of production, that we could have crops moving from one section of the country to the other?

We should have these answers available to us and we should certainly have access to the agreements that are being hammered out at the present time so that we can

study them to make sure that all producers in Canada are used on an equitable basis.

We have to be very careful when entering into long-term agreements and, if at all possible, try to have the agreements for wheat apply to all prairie provinces or, for corn, applied equally to Ontario and Quebec.

The whole concept of a safety net would be more acceptable to the farmers in Canada if, in fact, we had the regular ups and downs and regular cycles in the marketplace.

As I indicated earlier, these marketplace fluctuations appear to be influenced by outside factors other than those of supply and demand. I have to wonder just what consideration was given to these fluctuations, the fact that the marketplace is not being allowed to respond because of outside influences. I have to wonder what the government is doing to put us back on a level playing field.

Looking at the southern United States where they can grow two or three crops a year, we are dreaming in Technicolor if we think that we can compete—with a bill such as we have here today—with two crops a year that have their targeted prices and deficiency payments.

The livestock industry in the United States is moving south, particularly the dairy industry which is moving south into Florida and into Texas. With up to 7,000 animals per herd, I have to wonder what lies ahead for us here in Canada.

It is time this government examined how to compete in such situations like that. How do we compete, for example, when 50 per cent of the United States' agriculture efficiency is cheap labour, most of it in the southern states where Mexican labour is available for $1 an hour with no benefits. In fact, 3,000 hours of labour per worker per year is considered to be labour not fully utilized in that part of this North American continent. Most of these people work 9.6 hours per day, six days a week. On an average Michigan dairy farm the workers work 2,700 hours per year versus 2,000 hours per year in industry.

There are a lot of things involved with this bill, a lot of things to consider. Are we simply pouring money into a program like this trying to follow a supposedly free world market that is so heavily subsidized by other countries? Are we simply pouring money into a bill that is going to be detrimental not only to our country, but will instil a sense of false hope among our farmers that they will be able to pay off their mortgages and have a living commensurate with that of the rest of society?

I hope the government reconsiders some of these issues I have raised when it goes into committee. While I support the bill in principle, there are a lot of loopholes and a lot that has to be examined in detail. I trust the government will be responsive to our concerns.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, of the members who have spoken on this so far, the hon. member for Mackenzie said: "It is difficult to criticize the details of legislation when the details really are not in it", and it would be equally difficult to praise it, I would think.

The hon. member for Winnipeg—St. James said it would be easy to be cynical about the timing of the payments coming as they do when one might expect a federal election and, I suppose, it is easy. I do not intend to dwell on that.

The hon. member for Lambton—Middlesex said that it is difficult to talk about agreements when none of the agreements have been seen. I suppose if I were entering into such an agreement with the federal government, on behalf of a provincial government or even on behalf of an individual, I would think carefully about what the federal government has done with respect to agreements for cost sharing between the province and the federal government and the changes that have been made in those.

• (1630)

I am sure all that will be covered. As the hon. member for Mackenzie and others have said, when we get into committee we can deal with the details and hope to improve the legislation and make something more of it.

I intend to talk about my own experience in the few minutes that I have. I can recall when I first stood in the legislature in the province of British Columbia. I am going to digress for a moment, Mr. Speaker, to recognize the presence in the House of the hon. Minister of Agriculture. I know in the jobs he has, there are many things he could be doing other than sitting here listening to this debate. But I am aware also that he has been here

as much as he possibly can. I want to recognize that and thank him for attending in the way that he has.

Some hon. members: Hear, hear.

Mr. Stupich: As I started to say, when I first spoke in the legislature in B.C. 27 years ago concerning agriculture, one of the Socred cabinet ministers interjected and said that the NDP must have fallen to a pretty low level when they were calling on a chartered accountant to lead off the agriculture debate. The leader of the opposition at that time, Bob Strachan, replied to the effect that I was the only member in the House with a degree in agriculture. I had been raised on a small farm and had operated my own poultry farm for several years, so I had something more going for me than a degree in agriculture when I spoke.

Since then, I have added to that experience by having been minister of agriculture the whole time the New Democrats were in office in British Columbia. It is about that experience that I would like to talk briefly.

First, may I say that with respect to this legislation, the long title of the bill tells it the way I like to see it. The long name of the Farm Income Protection Act best spells out the government's intent. It is:

> An Act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for that purpose.

I wish this kind of enabling legislation had been in effect when I was minister of agriculture in the province of British Columbia.

The legislation talks about the goals, the guiding principles of the legislation itself. There is a comment about that from some representatives of the departments of agriculture and economics in Saskatchewan and Manitoba, to the effect that GRIP, while the legislation says that it should be market responsive, is not market responsive. The legislation says that GRIP should encourage self-reliance, and the economists say that it does not encourage self-reliance as the pay-out from the program is more important than the level of output, when talking about grain. The legislation says that it should recognize regional diversity; the professors say that it does not so recognize. The legislation says that it should be environmentally sound, and they say that it is not.

I will leave all that to the discussions in committee. I am sure there will be representatives there from the Minister of Agriculture to deal with those comments.

There is a quotation that I used in the second report of the B.C. Agricultural Land Commission that tells it the way I see it, and I think it is worth repeating at this time. It comes from a book by William Jennings Bryan, entitled *Cross of Gold*. It reads:

> Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms and the grass will grow in the streets of every city in the country.

Mr. Speaker, it is important to maintain the rural areas, but you cannot maintain the areas unless you have people there and you cannot have people there unless it is economically sensible for them to be there. We have a responsibility as a society to make sure that farmers can make a living farming.

It used to be that in the province of British Columbia, and I suppose in every other province, farmers looked forward to making their living or at least their retirement income by selling their farmland for a great price. One of the first things that I was able to do as Minister of Agriculture in B.C. was to bring in legislation freezing the development of agricultural land. We wanted to make sure that that land would be there for the future when it might be needed to produce food, where people could see farmers in action, farmers producing, where youngsters could go from school and see that milk does not come from cans or out of a bag of powdered milk but that food is produced by people working the land. I felt it was important to do that and important to maintain the rural areas.

Another of my experiences was five years in the air force during the war. During two years of that I was teaching at a school for flying instructors. In my experience, those students who came from farming areas anywhere in the British Commonwealth—this was the Commonwealth Air Training Plan—the ones who came from farms as opposed to those who came from cities, had learned to be reliable working on their farms. They had learned to be self-reliant, since you cannot stop your farm operation because something breaks down. You have to haywire it together somehow and keep it working. They turned out to be the best air crew personnel, certainly the best pilots. That was the experience of all those working in the Commonwealth Air Training plan.

As I said, the first step of our program in British Columbia, was to save the land. It was not easy. There were demonstrations and hot meetings. One particular demonstration, was led by leaders of the B.C. Federation of Agriculture on the Parliament Buildings grounds. The premier came out and spoke to them. He was not listened to, but he spoke. But he was listened to when he invited the leaders of that demonstration to come into his office and talk about what they wanted, not in opposition to farmland program, but to make it possible for farmers to make a living farming the land, rather than selling it, exploiting it, developing it.

They came into his office and he offered to match anything they wanted to spend for consultants, or whatever, up to $50,000, dollar for dollar, so they could bring in their programs. The select standing committee of agriculture at the time was instructed, or authorized if you like, to travel around and listen to farmers all over the province of B.C., much in the same way this minister listened to the farmers and farm organizations. We did the same thing.

In addition to that, my own department, as I am sure was the minister's department, was working on its program and we came up with a program that provided for a safety net. This is not unusual. But it was so widely complained about.

People talk about subsidies, and I was never more in agreement with the Minister of Agriculture of the day, Eugene Whelan, when he said at meeting after meeting: "It is not farmers who are being subsidized, it is the consumers, and it because governments are not prepared to pass on to consumers the total cost of producing food". Politically unpopular. So consumers are subsidized. Sure, it is handed through farmers on occasion, but not all the time. It is because we are competing with other nations with substantial subsidies paid either to farmers or to the community that we have to do the same thing. There is no way out. We are subsidizing the price of food so that consumers will not have to pay the full cost.

But in society outside of that, the unemployment insurance program is a safety net for a significant body of our population. There is no question about that. Professionals of many kinds, for example, doctors enter into contracts in every provincial government in Canada. They enter into contracts which provide them with a very nice safety net.

Farmers had one safety net for a long time, several decades I suppose by now, and they still have it—the Crop Insurance Program. It has been a good program. It has helped to protect them from disaster arising from what we call natural causes. We have just had a snowfall in British Columbia that started on March 1 or 2. I do not know if that is natural or not, but it is certainly nature, if not natural.

But they never have had one program that would deal with all of the problems. This, as I see it, is what Bill C-98 is trying to do: bring under one umbrella all of the programs. That is certainly the direction I wanted to go, and had I carried on as minister of agriculture after the election, then that would have been the direction I would have wanted to go, to bring everything under one program.

As I mentioned earlier, I agree totally with the principles as listed on page 3. They were the same principles that guided me in bringing in the farm income insurance program we brought in in B.C., with another one added, I think. I will come to that just a little later.

To arrive at our farm income insurance program, and again I might compare it to what the minister did, we entered first into negotiations with the B.C. Federation of Agriculture as the organization which represented the most farmers in B.C. In B.C. the National Farmers' Union was a factor only in the grain growing northeast part of the province. It was not a factor even in the Creston area, where grain was grown as well. But in the northeast corner of the prairies, that part in B.C., they were a factor and we were prepared to deal with them, but never got that done during my tenure in office. We arrived at a master contract, a cost of production contract. That is the way we looked at it. We settled the details that would apply in general to farming as a whole. After that, it was up to each commodity group to come to us and say whether they wanted to be a party to it or not. That was their choice. They came one by one and said they wanted to get into the program. There was the master contract that had been negotiated, and really it was tough negotiations, with the Federation of Agriculture on behalf of everyone, and then with the representatives. The first to come on board were the dairy farmers and I think the next were the fruit growers. The dairy farmers came in before we actually got the program organized.

• (1640)

One of the things the minister said was that he did not want to move too fast and then make mistakes. He would rather move into it more slowly. I would certainly recommend that to him because we got into the dairy first because of an emergency situation. They are since out of it and I think everybody is happy about it now.

We got into it with the fruit growers secondly after the commodity group representatives had made their agreement with us based on the master plan. It was then up to individual farmers to choose whether or not they wanted to belong. I notice in this legislation there is reference to that as well, that it is still the individual choice.

I notice the minister saying something to the effect that the cattlemen are saying that they are going to choke on GRIP. GRIP was not used in those days, but I heard much the same response from the B.C. cattlemen's organization in B.C. when we brought in our agricultural insurance program. However, it was not very long before the cattlemen's organization out-voted the big people in their own industry and wanted to become part of the farming insurance program in B.C., and did.

Individuals signed on; they had that choice. They had to sign a five-year contract. I have heard some of the details that have been talked about concerning the legislation, talking about contracts for a certain period, not necessarily five years but certain periods of notice before they can get out.

A cap on the volume of production was used for most commodity groups. That is, the program was effective up to a certain number of cows for cow-calf operations, up to a certain number of poultry for egg laying and that kind of thing. It was not to provide an umbrella for the largest operators. It was to provide an umbrella significant enough that anybody could maintain themselves. If they were bigger than that they could still get coverage up to that limit, but that was it.

There was no cap in production with respect to the fruit growers because as you can understand, Mr. Speaker, it takes so much longer to start producing tree fruits; once you cut the trees down it would take a long time to get back into business. So it was not practical to put a cap on the production for the fruit growers and we did not.

The premium was a three-way split. I said earlier that I wished that this legislation had been on the books of Canada when I was Minister of Agriculture. In making it a three-way premium split, it was our expectation that the federal government would move, and I know the federal minister wanted to, but he could not get the Liberal government of the day to go along with him. He told me on many occasions he would like to be co-operating and he did to the best of his ability, but he could not get this kind of a program operating. We hoped that the producers would pay one-third, that the provincial government would pay one-third and that the federal government would pay one-third.

The government was paying in the same way it used to share the UI program, in the same way that it shared other programs because in my belief the community as a whole had some responsibility for maintaining agricultural land in production or not in production, but at least maintaining it so it would be available for food production if and when it was needed. It was important, we felt, that the community should share in the responsibility for financing this program.

By the end of the program, at least by the end of the first five-year period, each commodity group was operated as a separate fund. By the end of the five-year period for each one of them, they were all in balance within dollars of a slight surplus or slight deficit, except one, and that was the fruit growers. Of course the government paid two-thirds hoping that the federal government would come along with its share later on.

Nevertheless, there were years when the pay-out was much larger than the fund and the government put up the money to fund it until it could recover it. It did that with most of the programs, because they were hurting when the commodity groups asked to get in. If they were doing very well, they would not have asked, so there was a deficit, initially, in all of them.

As I say, four of them paid off the deficit by the end of their five-year term, and the fifth one, the fruit growers, I suppose never did. The fruit growers is a tough one to deal with.

We participated. We saved the farmland in the province of British Columbia, but not on the backs of the farmers. It was the community that accepted the responsibility for making sure that the program would work and that it was possible to make a living farming rather than developing and selling off farmland. Even if that would work, not everyone can sell his farm to a developer. It is just on the fringes.

The B.C. Federation of Agriculture, before I appeared on the scene, had said that if there was to be any program for helping farmers stay on the land, it should take no recognition at all of the development value of land. That is what land should be worth for development as opposed to what it should be used for farming. That should not be recognized at all.

May I say in determining the cost of production, it was negotiated step by step, but the one thing that we said would not be in it was the quotas. As a government, we were not prepared to participate in financing the purchase of quota. Everything else we recognized as a true cost of production, we included it all in the formula, we shared the premium and, of course, if there was a deficit, then the premium was raised enough to cover the deficit.

The farmers were encouraged by the calculations to get as much as they could out of the marketplace. I noticed that some members have talked about the importance and desirability of getting everything on to the marketplace. I agree totally. Some of the farmers have their own organizations, and some of them sell as individuals.

You were not reimbursed for the full cost of production. If there was a shortfall, then the formula generally was that the farmer would recover 75 per cent of the shortfall. The closer the producer was able to get to the calculated cost of production, the better. If he got more than that, he was so much better off.

The closest he was able to get up to it, the more revenue he ended up with. I notice one of the criticisms of this GRIP program is that the producers are not encouraged to get the maximum out of the marketplace.

Ours was designed very deliberately to do that. It was not always possible to do it, but certainly the pressure was on producers to maximize their return from the marketplace.

The program worked in the province of British Columbia. The leader of the demonstration against us when we first introduced the agricultural land legislation at the time was the president of the Fruit Growers Association. Shortly after that, it was the president of the B.C. Federation of Agriculture. He was the leader against us.

When we were in the election campaign, he asked if he could go on TV and tell the people of the province what what it thought about our programs in agriculture. We agreed because we need not use them if we did not want to use them. He was ready to go on an advertisement.

What he said was totally positive. He said it was the first time in the history of his total experience in agriculture and in politics in the province of British Columbia that any government had lived up to its promises to farmers.

Some concern has been raised as to whether or not this government will really live up to the promises. I like the principles. I like the way the minister presented it, and I am going to go on hoping until somebody convinces me otherwise that the minister does intend to deliver on this program.

Out of it will come a program that will make it possible for Canadian farmers to produce and make a living out of farming, rather than hoping that they are going to sell off.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I just want to ask our colleague from Nanaimo—Cowichan a question. He and I go back some 18 or 19 years ago when we developed some federal-provincial agreements that are still in place to this day, except for some special allowances that were made to Atlantic Canada because of the lack of opportunity there that we recognize from across the rest of Canada.

We made some concessions for them to assist them in their poultry operations, but all provinces other than those few were used alike.

• (1650)

I know that about two and a half years later we had to bring in a supplementary agreement to fine-tune the programs, but those programs and those agreements broke new ground and they are still in effect today.

I would like to ask the member, in his experience, will this legislation that we have before us today achieve its objective if each province has a different agreement and different level of support?

For example, if one province is to get, $3.38 a bushel for its corn and another one gets $4.38, a dollar difference in the agreements between provinces, will this work? In your opinion does this reflect the comparative advantage to production? And will this cause a shift to production between provinces in this country?

Mr. Stupich: The National Farm Products Marketing Board allows for some differences in the return to the producers of various commodities on the basis of the difference in the cost of production in different provinces. I think that is a principle that has stood the test of time and that the federal minister would want to include in this program.

Apart from that, the federal government under the Liberals would never allow any topping up—that is, if there was a federal-provincial program in agriculture. If the province was prepared to go one step further because of a particular situation in that province, then the federal government would withdraw its support by the same amount. So it was not possible for a provincial government to top up programs.

I am not using that as a criticism of the Liberals. After all, these things are evolving.

I gather from the legislation before us now—at least from what I have heard and from what I have read, I understand this is the case—that if this particular legislation and this program goes ahead, then the federal government will allow topping up by provincial governments if they are so inclined.

If that is the case, well then I think that is the way it should be.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, it is my pleasure to have the opportunity this afternoon to say a few words to the legislation before us, Bill C-98, the Farm Income Protection Act.

I would like to say from the outset that I am certainly not an expert in farming and agricultural practises here in Canada, as some of my colleagues in the House are. But I have listened to the minister speak to this bill today and I would like to say from the outset that in general I support this legislation that has been presented today.

But, in particular, what I support is the process that the minister has used to bring about the legislation that we have before us today. I would wish that all of the legislation that we had before this House had the same level of input from all levels in this country—the grassroots, in this case the farm producers, the provincial government, federal officials, and the minister himself.

However, in speaking to the bill it is also, I believe, important for me to say just how concerned I am about the well-being of agriculture in our country, because I believe that it is a sector of our society that we in this House know is crucial to the economy of this country at this point in time. Yet, I believe that Canadian citizens as a whole depreciate the value of agriculture to not only our Canadian economy but to our individual well-being as Canadians.

I do not believe that Canadians understand that they do not really pay the real price of the food they eat, when they go shopping, and when they prepare their meals at home. I do not think they realize how little of the cash they pay at the grocery store counter actually goes into the pockets of our hard-working farmers. I believe that very often—and I see this in my own riding of Northumberland— those hard-working farmers often work in isolation and perhaps are not the best people in the world for joining to lobby together for improved circumstances for themselves.

In my own riding I often have farmers come to me individually, farmers who have worked extremely hard, often to the point of losing their health, but who in the end find themselves in economic circumstances that they simply cannot withstand any longer and are at the point of bankruptcy, which in many cases has resulted in further deterioration of the physical and mental health of our farmers.

Having worked abroad, before I came to this House, in developing nations and having assisted in many programs of agricultural development, I cannot repeat too many times how important I feel it is that we focus and concentrate on the value of agricultural production. I believe that agriculture is a security issue for every country around the world. I think it is a security issue for us here in Canada, but I think it is an issue which is not understood in that context. I feel that day by day, month by month, year by year we are losing our capacity in this country to produce the food that we require for our-

selves as Canadians on a daily basis, on a monthly basis, on a yearly basis.

If and when we become dependent upon other nations to provide us with our daily bread then we are in serious trouble as a nation.

I think it is very important that with this Bill C-98, we have a new program in place to provide necessary financial insurance and assistance that stabilizes production for farmers to some extent. I also understand that this legislation involves considerable realignment of already existing programs. Although the existing programs will essentially remain the same, there is a realignment of programs, plus new programs to assist farmers. This is a substantial change.

One of the areas that does concern me about the legislation, and I only have a few minutes left, is the proposal to set up a special measures committee. I understand, from what the minister was saying today, that already there has been discussion about setting something up. But the legislation reads that 'where the minister is of the opinion that exceptional circumstances exist that require that action be taken outside of the scope of the program established under this agreement, the minister may implement such procedures or other special measures as the minister considers necessary to determine the appropriate action to be taken", et cetera, under those circumstances.

I am also concerned, as one of my colleagues mentioned, that we really have an executive legislative type of authority envisaged by this particular measure in the legislation. I would hope that when this legislation goes to committee it can look at the nature and scope of this special measures committee and consider whether or not it is necessary right now, in fact, rather than waiting for the minister, at some distant point in time or now, to look at exceptional circumstances. Whether we should have a committee composed of those very people and groups involved in the creation of this proposed legislation that we have before us today; whether a committee comprised of those people should not, on an ongoing basis, from this point in time, be looking at this legislation and making recommendations to the ministry on particular changes to the legislation simply because the legislation is such a change.

I am sure that when the regulations are put in place and when the program is itself in operation that, no doubt, there will be some problems and glitches in the legislation that a committee should be looking at on a consistent, regular basis.

I feel strongly about this because I feel that it is a program, as I said at the beginning, that is in support of one of the most important facets of Canadian life and the Canadian economy and if it is a good program—and it appears to be substantially a good program—we want to ensure that nothing goes awry with the program.

The Acting Speaker (Mr. Paproski): The hon. member will have 14 minutes left, plus 10 minutes questions and comments.

It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's *Order Paper*.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

CANADA LABOUR CODE

PRECAUTIONARY WITHDRAWAL FROM WORK FOR PREGNANT WOMEN IN FEDERALLY REGULATED BUSINESSES

Mr. Guy Saint-Julien (Abitibi) moved:

That, in the opinion of this House, the gouvernmet should consider including in the Canada Labour Code a provision for precautionary withdrawal from work for pregnant women working in federally-regulated businesses in Quebec and Canada.

He said: Mr. Speaker, I welcome this opportunity to address a matter of vital importance to pregnant workers in Canada and Quebec.

This particular issue caught my interest when members of my staff from Val d'Or and Senneterre received a complaint from a worker from Val d'Or who had applied to the Commission de la santé et de la sécurité du travail—better known as the CSST—in Quebec. The rèply from the Rouyn-Noranda CSST was that the relevant Quebec legislation did not apply to federally regulated businesses.

My assistant, Ms. Françoise Lamarche from Senneterre who knows all the social cases in my riding, told me that the Canada Labour Code had a preventive function only. The Labour Code has no equivalent of precaution-

ary withdrawal. The woman in question could only be granted leave without pay.

When I reached my office Saturday morning and read the file, I realized that this pregnant worker was employed by a federally regulated bus company, and that as part of her day's work, she would lift parcels that might be as heavy as 70 pounds each. I immediately wrote to several ministers, including the Minister of Labour and the Attorney General of Canada, to find out what the situation was and why there was no provision in the Canada Labour Code for paid leave for pregnant workers on the basis of precautionary withdrawal, a provision that does exist in Quebec.

On January 17, I received a fairly quick answer to my letter of December 12, sent just before the holidays. The Minister of Labour, Mr. Jean Corbeil, wrote: "I am aware of the apparent discrepancy with respect to pregnant workers who are employed by federally regulated businesses in Quebec, who are denied compensation for precautionary withdrawal by the *Commission de la santé et de la sécurité du travail*". The minister also said: "Part III of the Canada Labour Code contains certain provisions to protect pregnant workers employed by federal businesses. The Code protects them against termination of employment or other disciplinary measures on the grounds of absence due to parental leave or illness. The employer must continue payment of the usual social premiums during parental leave or absence due to illness. However, if a pregnant employee is no longer able to perform the essential duties of her position and no other appropriate position is available, the employer may order her to take maternity leave. I can assure you that the issue of precautionary withdrawal of pregnant workers will be considered as part of a review of the Canada Labour Code".

I also received a letter from the Attorney General of Canada, the Hon. Kim Campbell, who said: "I will keep you informed of any changes in this respect when the Code is reviewed".

As the elected representative of the people of the vast riding of Abitibi, I never take any chances on an issue that is so important to the women in our area. On May 17, I tabled a petition in the House of Commons, with 35 signatures, which reads as follows: "The Canada Labour Code must observe the principle set forth in the Canadian Charter of Rights and Freedoms, and is thus supposed to protect the rights of women. The regulations on compensation for pregnant women do not consider all the demands of the workplace. The option of preventive withdrawal from the workplace for pregnant women is one that is both desirable and necessary for women working outside the home." The petitioners, from Senneterre and Val d'Or, humbly prayed and called upon Parliament to give serious consideration to the shortcomings of the legislation when the Canada Labour Code was reviewed and to recognize the need for including provisions in the Code concerning the preventive withdrawal of pregnant women from the workplace.

A petition always gets an answer from the minister. That is a very important point. Some members forget to present a petition, and it just stays there on the table or on the shelf. However, every petition tabled by a member of Parliament gets an answer from the minister—it is his duty—within a reasonable period of time. In his reply, Hon. Jean Corbeil stated:

> The protection of pregnant women against the hazards in the workplace is assured, to a certain extent, by the general terms and holidays provided under Parts II and III of the Canada Labour Code.
>
> As far as the reassignment of pregnant women and their preventive removal from the workplace is concerned, it is an issue which will be examined and dealt with alongside several others, within the framework of any legislative review of the Code, with both the representatives of the employers and employees under federal jurisdiction being present.

On or about May 22nd, I informed the media and constituents in my riding in a press release which reads as follows:

> When a woman is expecting, the least of her worries should be the security of her job, just the same, in spite of a specific federal legislation dealing with maternity leave, she can only obtain leave without pay if she is compelled to ask for preventive removal.

And further:

> I suggest that the Labour Code should not violate the principles in the Canadian Charter of Rights and Freedoms and it is therefore supposed to protect women's rights. The rules dealing with pregnant women's compensation do not take into account all the requirements of the labour market and the possibility of preventive removal for pregnant women is a desirable and necessary option for women in the labour force.

Following that, I informed Conservative members. Gilles Bernier, the hon. member for Beauce, wrote me a letter on June 1, 1990, which pleased me very much. When I met him in person, he repeated again: "Guy, in my own riding, several pregnant women working at the radio station, in Saint-Georges-de-Beauce, called me to tell me of their grievances under the Labour Code". He added:

> I agree with you when you say that the Canada Labour Code should include some standard for the preventive removal of pregnant women with pay, just as the Quebec Labour Standards legislation does.

In July, as I continued my efforts I received a letter from Hon. Robert de Cotret, President of the Treasury Board. Meanwhile, on May 17, 1990, I had moved the very motion M-655 that we are dealing with today. He wrote:

> I should like to inform you that even if there is no federal legislation dealing with this issue, the policy concerning federal civil servants makes it a responsibility of Deputy Ministers to find other jobs, as the case may be, to pregnant women who are concerned about the possible effects of carrying out their assignments during their pregnancy.

And so on. He added that each case had to be looked into. I appreciated receiving his letter.

And, at the same time, around November, I modified all the unions in my riding. I wrote:

> In November 1989, an Abitibi woman in the labour force told me of the problems she had to face when, pregnant, she asked to be compensated for preventive removal.

You know the story. I said everything there was to say. But last June I came across an article concerning precautionary withdrawal in the June 1990 issue of the magazine *Le Travail*. The title was "Pregnant women at work, insist that your rights be respected". It was the first time I read an article in that magazine. Here is a quotation from it: "A mother first in the eyes of everybody". A woman called Danielle said: "At work there are men and women who will not admit that pregnancy does slow you down some. Surely a pregnant women should be allowed to stay home when she does not feel well, said Danielle, who had a difficult pregnancy. Of course there are a few things we cannot do as quickly, like walking or carrying heavy loads. How often did I hear those words! It is not my fault if she is pregnant. That is not an excuse not to work. And these are the people who complain about the low birth rate in Quebec".

Mr. Speaker, it should be noted that in Quebec precautionary withdrawal is a CSST-paid leave so that women working in a job which does not accommodate the normal evolutioon of pregnancy may stay off work during that time. I want to say to all members of the House that the government should consider including in the Canada Labour Code a provision for precautionary withdrawal from work for pregnant women in federally-regulated businesses in Quebec and in the rest of Canada, with pay.

Mr. Speaker, I hope all members and all ministers in the House will support this motion in favour of pregnant workers in Canada and in Quebec.

• (1710)

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I would like to take this opportunity to thank the hon. member for Abitibi for his consideration, abilities, and foresight to understand the needs of working women in Canada and his hope that he will bring it to the attention of the government of the day through his motion.

I would like to read the private member's motion:

> That, in the opinion of this House, the government should consider including in the Canada Labour Code a provision for precautionary withdrawal from work for pregnant women working in federally-regulated businesses in Quebec and Canada.

I say first of all to the member in a general sense and in principle that I think the Liberal Party itself can obviously agree with something as important as this is to working women. There are some loopholes and problems with the Canada Labour Code in this regard.

Perhaps the member could inform the House down the road, as we get into this matter a little further, just what are the nuts and bolts of the particular motion or, if we are to change the Canada Labour Code, what he means and to what extent the provision for precautionary withdrawal would take effect.

Is the meaning in that regard that the moment a woman is pregnant, that is at the very early stages of pregnancy, it is within the realm of the Canada Labour Code to allow for that woman to go on sick leave from that moment on for the whole period? Or, are there going to be criteria and some safeguards of the public

purse in that regard and to the bottom line as relates to the business we are discussing?

Those are the areas that I mention to the member because I think that when we are discussing legislation there are always the negative aspects as well.

I say to the member that this is something which we on this side of the House feel should be addressed and addressed soon. As members are aware, at the moment there are more and more women working in the work force every day. They are having difficulties working outside the home. At the same time trying to make a living is becoming more difficult.

I say that because, lo and behold, not too long ago in the budget of the Minister of Finance there were some major caps and wage restraints to the Public Service, and probably to all workers in Canada as we struggle to put in place the process that will hopefully, through time, allow this government to get a handle on its deficit.

On the one hand, this government would like to have us believe that wage caps and freezes will improve our bottom line as a country but, on the other hand, members such as the member for Abitibi are looking to improve the Canada Labour Code. Also, even though he did not say so, in this motion he is suggesting that there be some dollar cost. I know that when we put forward motions in Private Members' Business we are not to use that aspect of it, because it is not within our rules to charge dollars to the present day government but to suggest ways of doing it without costing money.

I am suggesting to him and to members that this particular initiative by the member would obviously cost us some dollars. That is not to say that I do not agree with it. I think it is a very important endeavour. I just would like to caution all members that there always is the down side to it.

I would like to reiterate something that happened to me. When I was not too long ago heavily involved in the labour movement, as a union member I represented 6,000 employees. Out of those employees there were 30 women. It was not too long ago in the railway that there was no such thing as a woman conductor, brakeman or engineer.

Lo and behold, we woke up to the modern age and realized that in most cases women made better engineers, conductors and trainmen than some men. However, when that took place, we found something out that we were not aware of before: that there were no washrooms, there were no special rooms for women in the bunkhouses; these private areas that, as men, we never even considered until this hit us square in the face.

Something else took place and I relate it to the member because I think it has merit to what we are talking about today. One of our members who I was representing became pregnant. When you work on the railroad there are some physical difficulties in being a conductor, a trainman or an engineer: you have to get off and on moving equipment; in a lot of cases you have to be very physically fit. This particular woman came to me one day and said that she felt she should be able to take a leave of absence during a certain period of her pregnancy and in her estimation—and also in mine—be able to get paid for it. The railroad at the time—this is not too many years ago; we are just talking about five years ago—said that she could not do that, that if she wanted to become pregnant that was her own business.

It has now changed somewhat in the railroad industry. There was a ruling by the Human Rights Commission relating to pregnant women, to the effect that should they become sick during their pregnancy—such as morning sickness, for example—they should be allowed to take time off work for that. And, through that process, we were able to get this particular young lady on sick benefits under the unemployment insurance program.

However, what people should know is that under that particular program, those weeks of sick benefits went against the weeks that she would automatically have been able to take off as maternity leave. It did not rectify the problem, but it did at least bring home the argument we are having today in the House, and what the member for Abitibi is bringing forward, that there are some unique problems for women in the work force when pregnancy occurs.

I hope I speak for all members of the Liberal Party when I say that it is long overdue that we take a good look at the Labour Code, in particular at the areas that seem to be silent as they relate to women. It seems to me not too long ago that women were not considered to be people who would be in the work force for their whole career, as men are. Now we have come full circle and realize that this indeed is the case.

If we could take a look more specifically at what the member for Abitibi is asking and see whether he could outline to the members of both the Liberal Party and the NDP how this would be structured, we would be more than willing to participate in looking at some improvements to the Canada Labour Code.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I would like to begin by thanking my colleague, the hon. member for Abitibi, for his initiative in putting forward this important motion. I can assure him, and the House, that I fully support the spirit in which it is proposed.

As we all know, in recent years women have entered the work force in ever increasing numbers. Their contribution to society and to the economy has certainly been enormous. At the same time, we cannot neglect their contribution made as mothers of the next generation. Women's responsibilities to their families are just as important as their responsibilities to their employers.

• (1720)

Many recent initiatives of Labour Canada are intended to help workers, both men and women, balance their responsibilities at work and in the home. Most notable, perhaps, are the 1986 amendments to the Canada Labour Code which, among other things, extended the periods of leave for maternity and for child care. A further example of the study recently prepared by the Women's Bureau of Labour Canada, concerning leave for employees with family responsibilities. Another study by the women's bureau deals with workplace day care centres.

So Labour Canada is continually seeking ways to support workers in fulfilling their family responsibilities while continuing to contribute to the national economy at work.

Much has been done, but as my colleague has pointed out, more remains to be done. The Canada Labour Code currently provides a number of projections for pregnant workers. But further improvements may well be introduced in the future. I know the minister is open to suggestions and the current motion is an example of the kind of suggestion that he welcomes.

As we all know, many women go on working well into their pregnancies and return to work soon after giving birth. Not so many years ago, it was common for employers, as was mentioned by my hon. colleague across the way, to lay off workers who became pregnant, or forced them to take unpaid leave. For some reason it was considered inappropriate to have pregnant workers in the workplace. Of course, this situation caused needless hardship for women who lost their pay cheques just at the time they needed to save and have money. It also caused undue stress for women who felt forced to hide their condition from their employers in order to avoid losing their jobs.

For these reasons the Canada Labour Code prohibits the arbitrary lay–off of workers simply because they are pregnant. The law upholds a pregnant woman's right to continue working unless her employer can demonstrate that she is unable to perform an essential function of her job.

Pregnancy is not an illness. In most cases it does not affect a woman's ability to continue doing her job right up until the time that she decides she is ready to take maternity leave. The Canada Labour Code protects the rights of the majority of pregnant workers to decide when to take their leave.

Moreover, the law provides for the continuation of job benefits for women on maternity leave who have completed six months' service with their employer. Pension and health benefits continue on the same basis as when the worker was on the job. Seniority continues to accumulate. In addition, the worker has a right to receive notice of job and training opportunities that arise during her absence. She is entitled to return to the same job, or at least a comparable job at the same level, upon completion of her leave.

I should add that these same provisions apply to workers, both men and women, who take parental leave to take care of a newborn child, or a newly adopted child. A further provision enables these workers to receive income replacement through the unemployment insurance program. Many employers, recognizing the value to their organization of productive workers, voluntarily supplement these unemployment insurance payments, so that their employees do not suffer financially from taking maternity or parental leave.

I can say with pride that the present law provides very well for the majority of pregnant workers who wish to remain in the labour force and who can do so without any great difficulty.

However, the law is not written only for the majority. We must also remember and make allowance for, the group of pregnant workers who, for whatever reason, encounter problems that make it difficult for them to continue working at their normal job.

Such difficulties may arise from medical complications of pregnancy. For although pregnancy is not in itself an illness, as I have said, women are susceptible to certain conditions requiring medical treatment as a result of their pregnancy. In this case, the existing provisions for sick leave certainly would apply.

A second kind of difficulty that pregnant women may encounter arises from conditions within the workplace; conditions which, though a normal part of the job, may cause concern because the pregnant woman is especially susceptible.

It is precisely this kind of situation that my colleague's motion is intended to address. I agree that the legislation should be examined to see if there are ways to strengthen and clarify the protection afforded to pregnant workers.

After all, federal legislation prohibits the discrimination on the basis of sex. I think we all agree that it would be discriminatory not to make allowances for a woman's pregnancy.

To this end, the minister has directed Labour Canada officials to consider changes to the Canada Labour Code that would guarantee a pregnant worker's right to be reassigned to more appropriate work for the duration of her pregnancy. If a reassignment is not possible, the worker should have the option of taking precautionary leave, during which time her job would be protected and her benefits would be continued.

Labour Canada is currently consulting with federally regulated employee and employer groups regarding the fairest and most practical way to achieve this objective.

I cannot over-emphasize the importance of the process of consultation with the representatives of labour and industry, which is now under way. For some time now, consultation has been the key ingredient in the development of all new laws and regulations in the federal labour jurisdiction.

It has been our experience that the legislation with the best chance of being accepted by everyone concerned is that which has been developed with co-operation of both employers and employees. Especially in these times when productivity is of the essence, we seek an atmosphere of co-operation rather than confrontation in the workplace.

No one else has a better understanding of the actualities of the work place than those responsible for its maintenance and those who spend every working day in it. As legislators, we have much to learn from the workers and employers in our jurisdiction, and I know that Labour Canada is committed to listening and learning.

Therefore, to ensure that our legislation proposals on this matter are workable and acceptable to those most affected, we will give full consideration to the viewpoints expressed by labour and industry in drafting any amendments.

My friend may rest assured that his concerns are indeed under consideration. Amendments, when they are introduced in the House, will take account of the whole range of issues that are involved.

Again, we thank the member for Abitibi for bringing this important issue to the attention of the ministry and of the government.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, it is with considerable pleasure that I rise today to support the initiative in the motion brought forward by the member for Abitibi. To read it again briefly:

> That, in the opinion of this House, the government should consider including in the Canada Labour Code a provision for precautionary withdrawal from work for pregnant women working in federally regulated businesses in Quebec and Canada.

The motion is timely, not only in regard to the remarks of the last speaker who indicated, as I was aware, that the government is in the process of some broad consultations on the subject matter at the moment, but also in coming into the House for debate the day before International Women's Day. That in itself makes it seem doubly appropriate that we should be dealing with a question of this nature at this time.

My own experience is in blue collar industry in particular. My riding is not dissimilar to that of the member for Abitibi, although we are at opposite poles geographically. We are largely employed in the forest industry and the mining and smelting industry, particularly lead and zinc.

There are many areas, particularly in Cominco in the lead industry, where women of child-bearing age are totally precluded from working. We are hopeful that with the current modernization program taking place, we will get rid of that problem and women may be able to work safely, both for themselves and for their children in all areas of that industry.

While we are generally supportive of this proposal, we understand some of its limitations and what it does not say is due to the limitations imposed by the rules of the House.

I would like to take the opportunity to point out, perhaps, what cannot be stated within the motion itself. Of course, the motion does not go far enough because of those limitations. It does not go far enough to protect the health and safety of pregnant women in the workplace.

• (1730)

What is needed are specific changes to the Canada Labour Code to ensure the safety of the woman and the foetus during pregnancy, as well as the health of both the woman and child after birth.

Amendments need to be brought forward to address the health and safety needs of women while they are pregnant, as well as while they are nursing. What the government needs to bring forward are amendments to the Labour Code in Parts II and III, to improve the rights and benefits of women workers, before and after the birth of a child.

While the purpose of the present Part II of the Canada Labour Code is to ensure a safe and healthy workplace, at present Part II provides virtually no protection for pregnant and nursing workers.

The right of a worker to refuse work does not cover situations where the danger is inherent to the work or where the risk is considered a normal condition of employment. These limitations have the effect of excluding pregnant and breast-feeding workers from full workplace health and safety protection.

Not only are pregnant and nursing workers not protected by the health and safety part of the Code, but under Part III of the Code, a pregnant worker can be forced to take an unpaid leave of absence from employment if the employee is unable to perform an essential function of her job and no appropriate alternate job is available.

I do not think it really needs to be pointed out, but I would stress, in any case, that this comes at a time when the expectant mother and the family most need the income from her work, because they are looking forward to an expanded family.

It is this situation which simply enforces the existing barriers to pregnant and nursing workers. The Code not only does nothing to remove these barriers, it enforces this discrimination as it currently stands.

Pregnant and nursing workers should not be penalized for workplace hazards and risks. Employers should be required to find suitable alternate employment, or measures need to be put in place to provide for full replacement wages if the worker is forced to leave the workplace.

Part II of the Code needs to be amended to require that the employer must ensure that pregnant or nursing workers are protected from workplace risks, specific to the condition of a pregnant or nursing mother. These risks should be defined to include psychological and stress related conditions.

Workplace risks should not be restricted to physical conditions. The psychological effects of working with video display terminals, VDTs, for example, could be greater than the physical dangers in the workplace and could cause abortion or other equally serious trauma.

When a pregnant or nursing worker presents a medical certificate indicating a risk, or if the action is initiated by the employer, then the employer should be obliged to either modify the work environment or reassign the worker to another job. If these alternatives cannot be met, the employee must then be entitled to appropriate fully paid leave.

There also has to be a mechanism in place to allow for a complaint to be filed with Labour Canada, in the instance where an employer refuses to accommodate the legitimate health needs of the workers. This would be handled much like other Part II complaints and subject to appeal to the Canada Labour Relations Board.

Finally, measures need to be adopted to ensure that paid leave is available to all pregnant or nursing workers. Further, parental and child care leave should be increased from the current 24 week maximum to 52 weeks.

I would just say, before wrapping up, that I would be remiss if I did not take this opportunity to urge that both this and other health and safety protections be extended to parliamentary employees. In June 1986, the Parliamentary Employment and Staff Relations Act was passed by this House, in which Parts II and III incorporated Parts III and IV of the Canada Labour Code for the protection of parliamentary employees. But those provisions still have not been proclaimed, almost five years later.

I would urge the member who introduced this motion to assist those of us on this side of the House who have been pressing the government again and again to proclaim those sections so that these improvements, when they come into place, will impact upon employees of this place and on Parliament Hill, as they would impact upon other Canadians.

Finally, since tomorrow is International Women's Day, the New Democratic Party and myself would urge the government to move soon and perhaps they might even announce tomorrow a very clear intention to pursue the objectives of the motion introduced by the member for Abitibi.

I can think of no better time than today to begin to ensure fair and non-discriminatory treatment for pregnant women in the work force and to safeguard them and their children from the impacts of workplace induced accident and disease.

[*Translation*]

Mr. Jean-Luc Joncas (Matapédia—Matane): Mr. Speaker, I welcome this opportunity to speak to the motion tabled by the hon. member for Abitibi. We seldom have an opportunity to take a position on an issue that is so directly related to child bearing, and we have that opportunity today.

The hon. member's motion is aimed at helping women reconcile the demands of the workplace with their family obligations. Many of us are very familiar with this problem. In fact, most of us have to deal with this problem every day.

Canada is a country of families, Mr. Speaker. It is also a country of workers. Statistics Canada reports that more than half of the women with young children also have jobs, and their numbers are steadily increasing. This trend is due to a number of factors. First, today's women are better educated. They have qualifications they want to put to good use. Thanks to changing attitudes to the type of employment considered suitable for women, they now have access to jobs that are more interesting and more satisfying than those generally offered to previous generations. It is not surprising, Mr. Speaker, that today's women should wish to pursue their careers after starting a family.

This is not simply due to the fact that women want to "have it all", as some magazine articles would have us believe. And not only highly educated women keep on working when they are pregnant and go back to their jobs a few months after the birth of their child. It is a pattern that is followed by women from all classes in our society. For many young mothers, it is not a matter of choice but of necessity.

We all know how much Canadian families have changed in the past 30 years. The typical family in the fifties, consisting of two children, the father and family breadwinner and the mother, at home full time, is no longer the norm today.

In fact, in the nineties, only one family out of six resembles this model. There are far more families where both parents have to work, either full time or part time, to make ends meet. Furthermore, many Canadian families are single-parent families, most of which are headed by women.

Most women with children cannot choose to go to work or stay home. They must work to support their families.

Over the years, the present government has passed legislation to help working mothers. Provisions concerning maternity leave have been amended to extend this leave, to provide for greater flexibility in selecting the period during which maternity leave may be taken and to reduce eligible periods.

A woman with six months of continuous employment may now take maternity leave for a maximum of 17 weeks, at the time she feels is appropriate. She may start her leave up to 11 weeks before the expected date of confinement. However, she may work up to the day her child is born, unless her employer can prove she is unable to perform an essential function of her position.

This means that maternity leave may last as long as 17 weeks after the birth of a child.

In addition to maternity leave, either parent (father or mother) is entitled to a maximum of 24 weeks' leave to care for a newborn or adopted child.

Although the maternity leave and parental leave provided under the Canada Code are leave without pay, eligible employees can receive unemployment insurance benefits during those periodes, which relieves the financial burden somewhat.

• (1740)

The most important aspects of the maternity and parental leave provisions may be the safeguards concerning employment and fringe benefits. Seniority is not affected by the time spent on maternity or parental leave and entitlement to pension and health plans, for instance, are maintained, provided the employee keeps paying her premiums.

The employee also has the right to be advised of any training or promotion opportunities during her leave, so she will not miss career advancement opportunities simply because she is away. Upon her return to work, she has to be reinstated in her former position, or at least in an equivalent position, and in the same workplace.

Mr. Speaker, these provisions of the Canadian Labour Code give working women the assurance that they will not have to give up their careers to start a family. Knowing this helps reduce the stress which inevitably surrounds the birth of a child. With this weight off their mind, the employees can pay more attention to their jobs during the time they are at work.

The legislation is also beneficial for the employer, because with the assurance of having their jobs back upon returning from maternity leave, employees are likely to be more consciencious and more productive. Recognizing the value of these employees, many employers keep paying their employee's UI premiums for the duration of the leave so that they incur no financial loss because of their pregnancy.

All these provisions serve the objective of assisting women who want to go back to work after giving birth, as long as medical problems and reactions to conditions existing in the workplace do not cause complications when they are pregnant. The motion put forward by my colleague from Abitibi is intended only to extend the same benefits to a few women who would encounter medical problems during pregnancy. That sounds only fair.

At the present time, a woman who has health problems during the first six months of pregnancy is entitled to a maximum of 12 weeks of sick leave without loosing seniority or benefit entitlements. But if her problems keep up and it remains impossible for her to work after that period, she usually has no other choice but to take her maternity leave earlier than she would have liked, which gives her less time after the birth of her child to devote herself to that extremely important task of taking care of her newborn.

It seems there is also a floating period of two weeks between the end of the six months of pregnancy and the beginning of the eleventh week before delivery; the employee may then have no recourse but the goodwill of her employer.

I think we have an excellent system of assistance to pregnant employees, but the motion points out one of its few shortcomings. It would be appropriate, in the name of fairness, to eliminate that deficiency.

Mr. Eugene Bellemare (Carleton—Gloucester): Mr. Speaker, I would like to congratulate and thank my colleague from Abitibi for moving a motion amending the Canadian Labour Code and seeking to protect the pregnant worker. We know very well that, pregnant workers are often single parents with very limited financial means. They often have different needs: financial needs, social needs, the need to be encouraged.

Maternity is something extremely sacred. We should respect the pregnant worker and encourage her. We know fully well that presently maternity leave and parental leave are legally protected. But, as was saying the member who just spoke, there are flaws in the Canadian Labour Code, and the pregnant worker should get some protection when, during her pregnancy, which can be difficult at times, she is forced to take some days off. This person could have a sympathetic employer, but she could also have one who is far from being sympathet-

ic. She could suddenly find herself without a job if an employer was not sympathetic towards her.

So, in Canada, we must have an act to protect the worker who is in such a situation.

[*English*]

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, I am pleased to be able to speak today on this motion which touches on two issues I care deeply about: human rights and economic productivity.

First, this is a human rights matter because the added support for pregnant workers that the motion proposes would have the effect of defending women's right to equal opportunity at work. Our Charter of Rights and Freedoms and other human rights legislation have established that special benefits for pregnant women do not constitute unequal treatment. In fact, such special benefits may be necessary to ensure that women are not discriminated against, even unintentionally, because they are pregnant.

Second, this motion, if acted upon, helps to remove some of the stresses on pregnant workers that would otherwise interfere with their productivity at work. I hardly need to remind the House how important worker productivity is to the economic health of Canada in an age of increasing competitive global markets.

One of Canada's great advantages in those competitive markets is its well-educated, healthy, highly motivated work force. As we will know, a significant and growing part of that work force consists of women of childbearing age.

Women now represent 44 per cent of the country's labour force. That means that virtually every Canadian industry, office, hospital and assembly line depend on women to get the job done. Increasingly, women occupy responsible, essential positions in management, the trades and in the professions. Gone are the days when a woman could simply be sent home if she became pregnant.

Labour unions have led the way through collective bargaining in winning protection for their members from such arbitrary treatment. Today, the Canadian Labour Code provides for maternity and child care leave as basic labour standards available throughout the federal jurisdiction.

Nowadays, enlightened employers value the women who work for them and do whatever is necessary to retain them as productive employees. If this means offering generous benefit packages, including maternity leave and extended child care leave, most employers recognize that the cost of such benefits is small compared with the economic benefits they bring.

The additional leave provisions envisioned by this motion could easily be accommodated at very little expense to the economy. As I have said, the result would be the full recognition of an important human right: the right to equality of opportunity in the workplace.

A provision allowing for precautionary withdrawal for pregnant workers would, in the first place, apply only to the relatively few cases where a woman experiences medical complications during pregnancy or where a normal condition of her work causes abnormal difficulties for risks.

The latter condition might arise in a number of professions. A pregnant worker might be concerned about the effect of heavy lifting or the effect of prolonged standing. A laboratory technician may be concerned in her especially vulnerable condition that normal occupational exposures might pose an unusual risk to her or her child. In any one of these cases some form of precautionary withdrawal, either reassignment or leave, would go a long way toward relieving a woman's concerns.

• (1750)

I do not wish in any way to prejudge the results of the consultations with employer and employee groups, which as the parliamentary secretary has said, are currently under way. Here is one way I think the matter could be dealt with through an amendment to the Labour Standards section of the Canada Labour Code.

An amendment might be introduced that would mirror the already existing provision in Part III of the Code which allows an employer to require a pregnant employee to take leave or be reassigned if she is unable to do an essential function of her job. But the new provision would allow the worker to initiate such an action by presenting a doctor's certificate that states there is a medical reason for concern.

Upon presentation of this medical certificate the employer would be obliged, if possible, either to modify the work environment to eliminate the risk or to reassign the pregnant worker to another job. The employee would be entitled to leave with full job protection and

continued benefits until the required modification or reassignment was arranged. If a suitable reassignment job or a job modification were not possible or practicable, then the employee would be entitled to leave for as long as the medical concerns related to her pregnancy persist.

Of course, the usual means of dispute resolution already existing under Part III of the Canada Labour Code would apply. The worker would have to give her employer fair notice of when she intended to return to work or to her usual job if she had been reassigned.

This approach seems eminently fair since its effect would be to give pregnant employees exactly the same rights to request reassignment or leave as a precaution that employers already have when a pregnant worker is judged unable to continue doing her job. The principles and mechanisms are already in place. As I have said, the provisions would affect relatively few workers and involve relatively little cost.

Thus, through an amendment to the Canada Labour Code, we could ensure that the important human rights to equality in the workplace is extended. Women workers are extremely valuable to the Canadian economy and their continuing commitment to the labour force should be recognized and encouraged.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, this afternoon, I would like to congratulate the hon. member for Abitibi who tabled this motion in the House. The hon. member is in fact suggesting that the Canada Labour Code should contain certain provisions that would enable pregnant workers in federally regulated businesses in Canada to claim certain rights with respect to precautionary withdrawal. The motion says: "—federally regulated businesses in Quebec and Canada". I am not so sure about the wording at this point, because so far, Quebec is still part of Canada, and I hope it will remain so. But in any case, this is a minor detail. I think that basically, what the hon. member is trying to do is to make these privileges available to pregnant women.

I wholeheartedly support this initiative, Mr. Speaker. In fact, I think not enough is being done, and this is an understatement, to encourage pregnant women who can work to stay in the labour market. Unfortunately, some people still have this attitude that as soon as a woman is pregnant, she should get out of the labour force as soon as possible. Of course, that is just not true. If a woman decides to work throughout her pregnancy, why not, and I think we should ensure that at least in federally regulated areas, the opportunity should be there for pregnant woman to stay on the job if they want to.

Mr. Speaker, I also think that if we adopted this motion today, it would be a clear message to the women of this country. Lest we forget, this is Women's rights Week, and tomorrow is International Women's Day.

So I think adopting this motion would be good news for Canadian women. The motion does not oblige, it only says "that the government should consider—". Of course if the government decides to adopt this motion today, I imagine there will an amendment to the Canada Labour Code. Subsequently, the amendment will be considered in the House, voted on, considered in committee and go through all other stages. In any case, I think this would be an excellent message for us to send today, especially if the vote is unanimous.

[*English*]

It has happened in the past in this House that some government members are instructed or asked to talk a bill out and speak in favour of it until the bill dies in the House of Commons. I hope that will not be the case today. We are on the eve of women's day. This is women's week. This would be an excellent initiative to adopt. I think it would send the signal that we care about working women and that we want to do something to help them.

If that is the case, which I trust it is, now that we are only a few minutes before six o'clock, I hope that the House will permit this bill to come to a vote and that the motion will not be talked out. If the motion is talked out then let the message be clear that those who talk it out, even if they are speaking for it when they are talking it out, are really against the motion.

[*Translation*]

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, as my colleagues explained—and I am quite aware of the situation— working women in federally-regulated businesses enjoy some benefits like maternity leave and parental leave. What our colleague, the hon. member for Abitibi, proposes would be a very minor improvement but nevertheless rather important for the pregnant women involved. The amendment he proposes would fill one of the remaining void in the legislation and help a growing number of working Canadian women who try to

strike a delicate balance between their responsibilities at work and at home.

My only concern, Mr. Speaker, is that as legislators we must resist the temptation to change legislation piecemeal and to fall prey to sensationalism. On the contrary, we should favour a co-ordinated approach, which would take into consideration the whole of the employment standards as well as their enforcement provisions. We must be, Mr. Speaker, more of a good legislator than a popular one.

Several concerns of workers who must juggle their work and family responsibilities are dealt with in the federal employment standards. This is the case, for example, with bereavement leave, sick leave and, as my colleagues were saying, maternity leave and parental leave.

Striking a balance between family responsibilities and work obligations is something every Canadian must do, including politicians, and I must—

The Acting Speaker (Mr. Paproski): I regret to interrupt the hon. member.

[*English*]

The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

UNEMPLOYMENT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, a while back, I asked the Conservative government a question about unemployment in Eastern Ontario.

[*English*]

I enumerated at the time, on November 8, 1990, the series of plant closures in my riding. That list included 1,100 jobs lost in Cornwall, 1,600 in Renfrew, 250 in Hawkesbury, 325 in Alexandria, and I even included at the time a lay-off of 100 people at the Consultex Textile plants in Alexandria.

Little did I know then that things would not get better. In fact they would get worse.

I asked for government help at the time to help the unemployed of my constituency. What did the government say?

An hon. member: No.

Mr. Boudria: It says: "No one likes plant closures," and the minister for science says: "If the hon. member is going to talk about plant closures then I think it is important to talk about those that have closed in recent months. If he strings off a list of plant closures over the last three or four years that is not fair in terms of this economic problem. We acknowledge that we have a problem and we are going to try to resolve it".

They have done nothing.

First of all that answer was most inadequate. Now we have the minister of state for small business who is with us this afternoon and I am particularly pleased that he is here because he knows of the unemployment in the riding that I represent and I hope that we can get some assistance from that minister because I know that he has taken this issue seriously.

In the last 24 hours another blow has hit the community of Hawkesbury. This one is not exactly the fault of the federal government, but I think it needs to be raised just about now. The Community Initiatives Fund of the Community Futures Committee in Hawkesbury, Ontario, in my riding had recommended in favour of a large federal government contribution toward *la Cité collégiale*, one of the new post-secondary colleges of the province of Ontario that was proposed to have been located in Hawkesbury. We now hear as of yesterday that the government of Ontario is planning to withdraw those funds and to put them elsewhere.

I hope that the minister who is here today will be able to convince Evelyn Gigantes, the provincial minister

responsible for eastern Ontario, and others, that the college in Hawkesbury and the one in Cornwall both have to stay.

I wanted to make those points and I continue with other layoffs that have occurred since I raised this issue last fall. Two weeks ago a plant in L'Orignal, Ontario, the Ivaco steel mill, laid off an additional 150 people. In Hawkesbury the Canadian Pacific Forest Products Research lab closed down two weeks ago, 63 jobs. And now there is another textile mill which is threatening to sell its machinery and to lock its doors because of a recent change in tariff policy on the part of this government. That announcement was made to me yesterday.

That community of 10,000 people has seen hundreds and hundreds of lay-offs in the last six months.

I ask the minister who is here, and I know the parliamentary secretaries are usually assigned to answer these questions, to please give a ray of hope to the people of Hawkesbury and elsewhere in eastern Ontario. We need help. We need it badly.

Other regions of the country have federal-provincial agreements or other kinds of tools to assist them in their development. I am thinking of the new agreement in Quebec for $80 million or something for infrastructure. That is fine. I like it.

I hear of the FEDNOR agency for northern Ontario. It is similar. I like it too.

But I think that eastern Ontario is depicted as if we were all living in the city of Ottawa, and I think the minister knows that Cornwall is not Ottawa, and Hawkesbury and L'Orignal and Pembroke and Renfrew are not Ottawa. They have problems that are very serious. Unemployment is 15.5 per cent in Hawkesbury, close to 20 per cent in Cornwall. Hawkesbury is 60 miles from here. Cornwall is 150 miles from here. We do not even think that that is possible in the almost shadow of the Peace Tower. But it is the sad reality of this situation.

I am inviting the government again to respond to the question I raised last fall and particularly to respond to the situation that has become seriously worse since.

Finally, I ask the minister if he could commit himself to contact the provincial Government of Ontario and at the very least ask it not to scrap the plan for *La Cité collégiale* in Hawkesbury and that of Cornwall.

Mr. Barry Moore (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Mr. Speaker, I certainly can relate to the hon. member, coming from western Quebec, where I think we have the same situation.

The federal government is very active in eastern Ontario and in western Quebec with a wide range of program support. For example, Industry, Science and Technology is providing a broad range of ongoing programs and services which help companies improve their international competitiveness and marketing efforts. These include programs related to research and development in strategic technologies, as well as diagnostic programs related to technology transfer and development.

I am sure the hon. member is aware of these; if not, he should become aware of them. I would be happy to sit down with him and with the minister to explain these different programs that are available to areas such as eastern Ontario and western Quebec.

These targeted programs and a wide range of business services are aimed at enhancing the international competitiveness of Canadian industry. They are complemented by the international market development programs and services at External Affairs and International Trade Canada, which are also delivered through the ISTC Ontario Regional Office.

In addition, the Industrial Research Assistance Program of the National Research Council provides financial assistance and technological advice in support of increased industrial competitiveness and is delivered through the NRC's offices in Ottawa and Kingston.

However, it is the Community Futures Program, with its core objective of helping designated communities and areas adjust to structural and economic change, that is the key federal mechanism for supporting communities and areas facing economic difficulty.

I can tell the hon. member that I have three Community Futures in my riding, Pontiac—Gatineau—Labelle. These are the key to the development of areas such as ours. The federal government has decided that it is not somebody sitting in Ottawa or Quebec City in an ivory

tower who is going to decide the future of our communities, but the local people who will deliver the programs and know the programs. They have to deal with the people there, and they know what the problems and the solutions are.

I might add that eastern Ontario has a very broad Community Futures coverage.

Mr. Boudria: I have four.

Mr. Moore: That is right. The designated areas include Renfrew County, Stormont—Dundas—Glengarry, Hawkesbury, Prescott—Russell, Land O'Lakes, Smiths Falls, the St. Regis Reserve, and extends as far west as Prince Edward County. You are well covered, Mr. Speaker, and I am sure that the hon. member will be using these tools in the future.

Mr. Boudria: Oh, I have.

Mr. Moore: These areas have well established Community Futures Committees, comprised of local members from the private and public sectors. Their role is to assess local problems and opportunities and to develop a strategy to address them. With a strategy in place, the community can seek funding from the community initiatives fund for the establishment of a business development centre, for self-employment incentives, for direct purchase of institutional training, and for other specific projects.

Under the program, some 13 business development centres have been established through eastern Ontario—and I am not counting those in western Quebec—providing a wide range of information and counselling services to local small businesses, as well as loans of up to $75,000 for business establishment and expansion through each centre's $1.5 million investment fund.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired.

THE LUMBER INDUSTRY

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, the question I rise on arises out of a question asked back on February 15, 1990.

However, the question is relevant in that it deals with the forest industry and it deals with not only how it has been hit through the goods and service tax but through the memorandum of understanding and the 15 per cent export tax when it exports to the United States.

• (1810)

The importance of the forest industry to Canada goes without saying. However, I should remind the House of some of that importance.

For instance, 79 per cent of the land mass of Canada within the 10 provinces and territories is covered with forest land, with 60 per cent, or 243.7 million hectares in forest production—in other words, productive land. The value of that production is $43 billion and accounts for 16 per cent of Canada's exports and 21 per cent of all world trade in forest products.

It also employs directly or indirectly approximately 770,000 people as of 1989. However, it appears that that is falling off. From 1985 to the present, the jobs have gone down from approximately 840,000 jobs in 1985 to 770,000 in 1989. I would suggest that it is probably down substantially from there.

In British Columbia, for instance, the forest industry accounts for 20 per cent of the labour force, and 45 per cent of all manufacturing shipments in the province. In my riding alone, Mr. Speaker, I have mills or part of the forest industry in every area of the boundary country: mills in Grand Forks and Midway, in Penticton I have a major mill, in Princeton and in Merritt.

These jobs are directly affected by the policies of this government, whether it be by the goods and services tax, the memorandum of understanding, the 15 per cent export, by cuts in unemployment insurance, or by cuts in the forest resource development agreement. Mr. Speaker, my area hurts.

The Okanagan region, in the last figures I saw, had an unemployment rate adjusted of 16.7 per cent. That region is not the highest region of unemployment within my area. The Nicola Valley has at times gone almost double that and is at present well over that rate.

We depend on the forest industry. In Merritt alone there are five mills which deal with forest products. Any time there is a policy that is brought out that hurts the forest industry, it hurts Okanagan—Similkameen—Merritt directly, but also it hurts the province and the rest of Canada.

I have given the context of how important forestry is in this little recitation so that people will understand that any policy that is developed where it cuts back on anything that goes into the forest region is going to hurt, and hurt drastically, a major sector of Canada.

The Forest Resource Development Agreement that has just been negotiated with the province of British Columbia cuts the funds in those areas from $300 million in the first five years, as a joint agreement, to $200 million in the next five years, a cut of $100 million. The Forest Resource Development Agreement helped in many ways; not only did it create employment but also it cut back on the not sufficient restocked areas, it assisted in spacing and fertilization of overgrowth and new areas of development within the forest area, as well as silviculture and replanting.

A major area also in my riding is silviculture. In Oliver, British Columbia, for instance, we have a major silviculture establishment that depends on that Forest Resource Development Agreement progressing substantially. So it is rather unfortunate that that has been cut back.

In the goods and services tax area, Mr. Speaker, the government tells us that the goods and services tax will be good for the area. Yet the industry tells us that it is not helping; in fact, it is hurting them in many different areas, including the taxation on their fuels is increased.

A recent initiative by this government with respect to marine user fees came under attack by the Council of Forest Industries of British Columbia in a recent letter of February 25.

They point out the folly to the industry in this user-fee area and they advise that users should not have to fund insufficient services, that there is no accountability to the users of the marine or air facilities that they will be charged for. Once again, an added cost to the forest industry.

One of the major areas that sticks in the craw of the foresters in my region and across Canada, of course, is the memorandum of understanding between Canada and the United States. It appears that this understanding restricts our own management of our forests. The documents show that the United States must approve many of the changes in Canadian forest policy. At present we know that the United States has sent at least 64 directives to Canada since the memorandum of understanding was signed.

All of these things, whether it be FRDA, the goods and services tax, the social housing costs, the increase in unemployment insurance, whether it be the initiatives to have users pay in the marine area, or whether it be the cuts in the Canada Assistance Plan or Established Programs Financing. All of these things filter down to the forest industry through taxation and property taxes.

The forest industry is important to Canada. We must properly look after that industry.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, our producers and distributors in the lumber industry certainly depend on their capacity to sell their products on export markets. The GST will put them in a better position to compete efficiently on the world markets. Also, it will increase their competitiveness on our domestic market.

The multi-stage GST will totally replace the export tax. Like any other business, exporters will recover all tax paid on their purchases. That will decrease their operating costs in Canada and improve the performance on export markets.

The GST also helps the Canadian lumber industry save a lot. It does not create any problem to our lumber producers and distributors. It really gives them the opportunity to expand their business and create more jobs in Canada.

Early in 1990, Mr. Speaker, some lumber wholesalers expressed concerns about their cash-flow situation, because of the tax they were paying on the wood purchased to resale on the international market. Our government listened to them, as we always do, Mr. Speaker.

Nowadays, registered exporters can buy zero-rated lumber in Canada to sell on foreign markets, which should satisfy the needs of the industry.

If my hon. colleague ever wanted more details on this subject, I would recommend that helook at the Interpretation Bulletin B-044 of February 1, 1991, issued by Revenue Canada.

One of the main flaws of the previous federal sales tax scheme was that it charged a large hidden tax on our exports. That situation increased costs and made our exporters less competitive than it would have been the case otherwise. The hidden tax on exports accounted on

average for nearly 1 per cent of the export price or, more than 10 per cent of many exporters' profit margins.

By removing the tax on inputs, the GST is doing away with this disadvantage and reducing operating costs in Canada. The direct result of that will be an increase of about $9 billion, or 1.4 per cent of our gross domestic product, i.e. the amount of products and services generally produced by our economy. Increased growth means increased investments and job creation for Canadians.

[*English*]

THE BUDGET

Mr. Ronald J. Duhamel (St. Boniface): By coming to this House this evening and being rather angry at the Prime Minister and the Minister of Finance, I am going to let my colleagues in this House and Canadians decide whether or not I have cause to be in this state.

A week ago yesterday I asked a rather simple question in the House of Commons, and I will quote it in order to make sure that I do not mislead anyone. A little over a year ago the Prime Minister stated, and I quote the Prime Minister: "In our second mandate we are going to focus more and more of our attention and resources and the fundamental building blocks of a competitive society on long-term investment in people, skills training, education, research and development."

• (1820)

I went on to say: "yesterday's continued freeze"—because it was the day after the budget—"of transfer payments for education as well as the $100 million cut for training constituted a flagrant contradiction of what the Prime Minister said."

What answer am I given? What stands out most of all? "They are not frozen". I did not say that. I said that there was a continued freeze of what had been. I pointed out that according to the minister's own budgetary figures, $100 million had been reduced or cut—call it what you will—for training.

After the Minister of Finance makes his statement, there is in *Hansard* documentation that the Prime Minister said: "They are not frozen." Supposedly they have been increased by 3.7 per cent. Why does the Prime Minister or the Minister of Finance not tell Canadians what that 3.7 per cent means? It means a transfer of tax points, but that is very different from cash. The cash is drying up. The Prime Minister knows it. The Minister of Finance knows it, and I am disappointed.

When is a cut a cut? We have in the estimates dealing with post-secondary education a reduction, a change of $485.8 million, almost $500 million. How large does it have to be? When is a cut a cut? Why this doubletalk? When will the minister stop using gobbledegook? Will the minister or his parliamentary secretary stand up in this House today and tell Canadians, admit to them that he has cut post-secondary education, thereby threatening our nation's competitiveness?

[*Translation*]

Last year, the Canadian University and College Association as well as the Canadian Federation of Students had predicted, in light of last year's budget, that the cash payments would stop in some provinces—if I remember well and I think I do—in 1997 in Quebec, in 1999 in Ontario and at about the same time in the other provinces. That was before another freeze was brought in. The situation is getting worse. Why is the federal government withdrawing completely from the cash payments program? Why is the minister penalizing the poorer regions? Why does the government persist in attacking programs that bring us together as a nation?

[*English*]

On October 23, 1990, I had also asked the minister a question with respect to the goods and services tax and the impact it would have on students. I suggested, according to a study it received, that it would cost students between $340 and $750 more per year.

Again, it was gobbledegook. It was inconsistent. It was illogical. It was not precise. This continued freeze will cost students another $1,000 between now and 1995. We know that the tuition fees are going up at an astronomical rate. I mentioned that at one college in British Columbia the rates were up over 300 per cent. There are tuition fee increases of 200 per cent, over 100 per cent.

The student debt is skyrocketing out of sight. I met a young woman two days ago from my constituency who said to me: "I have just graduated. It was from a very prestigious university, but I cannot find a job. What am I

to do? How am I going to repay that $10,000 debt?" I really do not know. During the last week, I have been talking to constituents, people from Diamond, St. Germain, River Park South, St. Vital and in my own area where I live, Windsor Park, Niakwa. I have been talking to people from Norwood and from St. Boniface.

They have been saying a lot of interesting things. Interestingly enough, they match some points made by Carol Goar in *The Toronto Star* today. First of all, she identified the major culprit in the increase of inflation, the very element that the minister is trying to control, as the minister himself. Why? Because of the increases in taxes. The minister is the major culprit. She goes on to say that between 1986 and 1990, income has gone up since 1986 by 32 per cent. But the federal tax load has gone up by 35 per cent, and that is not even counting the astronomical increases in provincial and municipal taxes.

Ms. Goar goes on to point out that beating the inflation rate down is one way of proceeding but it has high costs, severe unemployment. We know that. It is almost 10 per cent. It is predicted to go up to 10 per cent. So people are frightened.

One more point that she makes and my constituents have made is: "In order for Canada to enjoy an new golden era, it will have to find its niche in a world of fiercely competitive trading blocs where the environment must be respected and brains count more than natural resources".

That is the issue. That is what the government has not understood, that we have to invest in our people in order to be competitive. Cutting the transfer payments, cutting the grants for training and retraining, capping research and development, science and technology is not going to achieve that goal.

[*Translation*]

M. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, if you knew how fed up I am to hear the Opposition say foolish things. Education, first of all, comes under provincial jurisdiction. The federal government makes a substantial contribution to this sector under Established Programs Financing. It will contribute $20 billion this year and this amount will continue to increase in the following years.

Total federal transfers to the provinces, Mr. Speaker, will reach $36 billion this year. It means that 22 per cent of the federal government total Estimates, 22 per cent of the revenues collected from Canadian taxpayers will go directly to the provinces, to provincial organizations, and these payments are in cash. Furthermore, the government gives financial support to the provinces under various other programs.

And you know, Mr. Speaker, since 1984, an attempt was made to reduce the inherited debt. My colleague from the Opposition does not like it to hear this, but it is a fact. We have to try to reduce the debt which we inherited from his party, from his government.

Mr. Duhamel: Tell the truth!

Mr. Vincent: You see, Mr. Speaker! I let him speak. He could be polite and return the courtesy.

Mr. Duhamel: Tell the truth!

Mr. Vincent: I am telling the truth. Allow me to speak, I was polite with you.

Mr. Speaker, my colleague referred to a $100 million cut-back in the employment development program. Again this is not true. It is not a cut-back but a reduction of the projected increase. There is quite a difference between a decrease in salary—the people of Trois-Rivières know all about that—and a decrease in the rate of increase of my salary. That difference has to be made.

As my colleague pointed out, at the 1989 conference of provincial premiers the Prime Minister was the one who raised the issue of education in Canada, and he has already done an excellent job to find solutions to the national problem of education. It was the Prime Minister of Canada, the Right Hon. Brian Mulroney, who did that with his provincial colleagues.

Mr. Speaker, I see that my time is running out. In conclusion I should like to say that the budget of the Minister of Finance relies on the private sector so that our policy will produce dividends for all Canadians.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until 10 o'clock tomorrow morning, pursuant to Standing Order 24(1).

The House adjourned at 6.29 p.m.

HOUSE OF COMMONS

Friday, March 8, 1991

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

FARM INCOME PROTECTION ACT

MEASURE TO ENACT

The House resumed from Thursday, March 7, consideration of the motion of Mr. Mazankowski that Bill C-98, an act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for that purpose, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, it is certainly a pleasure to rise in the House this morning to speak on Bill C-98, the Farm Income Protection Act.

At the outset I want to point out to the House and to make very clear and understandable to Canadians, to those who will be reading the proceedings and to those who are watching this morning, that even though there has been a lot of talk about a farm safety net program being implemented in Canada basically for the immediate use of the primary producers, and therefore hopefully of some benefit to the whole agrifood industry, this bill is only an enabling piece of legislation. I know that is the case with many bills that we pass in the House of Commons or that are brought forth.

• (1010)

When we read through this bill, we have to understand that it really does not say very much in terms of answering the questions of the agricultural industry. This bill is going to allow the government and the minister to go province to province throughout this country and make the deal that is most suitable, hopefully, to the individual province. There are pluses and minuses to that. There is the plus that it can recognize regional diversity and regional differences, but there is the minus that it allows the deals to be made. That part of is tends to make some of us nervous.

I have other concerns that I would like to raise this morning, but first of all I would like to compliment the department on the manner in which it went through the process of getting this piece of legislation in place. I also want to remind the government not to get too excited about that, because in recent days I have talked to some people who were involved in that process, in what was referred to as the implementation committee which started to meet last fall, a cross-section of the industry, including many farmers. It is interesting that the members of the implementation committee did not get a copy of this legislation until about 48 hours ago. In speaking to some of them, they were absolutely appalled that much of what is in this piece of legislation was not discussed by the implementation committee, was not debated with them and, contrary to the comments of the minister in the House yesterday, they will not and cannot take ownership.

I noted with interest yesterday that the minister said that he takes no ownership. I believe his comments were: "We claim no ownership of this particular policy." That is a beautiful way of putting it. He went on further to comment yesterday that he hopes it works. Politicians being what they sometimes are accused of, if it works I am sure the minister naturally will take claim.

I am concerned with the fact that there are clauses in that bill which the implementation committee was not expecting to see, does not understand why they are there and, rightfully I think, needs an explanation of what is there. I am sure that those points, when the bill goes to committee, will be raised by all parties and hopefully can be cleared up at that time.

As I said before, I compliment the department on the over-all view that it accepted and took part in from the different sectors of the industry.

There is no question that something needs to be done. The agricultural industry is in dire straits mainly at the primary producer level. I have seen figures over the years that every dollar received at the farm gate by primary producers, before it is through the system in our society, is multiplied seven times. We must keep that in mind. That emphasizes a saying that many of us have said for many years: "As goes agriculture, so goes the strength of any economy".

I would like to read clause 4(2)(a) of the bill and then raise some concerns that I have.

Clause 4(2)(a) reads as follows:

> The program should not unduly influence the decision of producers of agricultural products with respect to production or marketing, and should encourage adjustments with respect to production or marketing so as to improve the effectiveness of the responses of producers to market opportunities.

As well, the bill is to address production or market neutrality, equity, consistency within international obligations and encouragement of long-term environmental sustainability and responsibility.

I have some concerns there. I can tell this House that unfortunately—and I mean that sincerely—GRIP is being farmed by producers. I know there will be people who argue that that cannot happen, but unfortunately it is. If there is one thing we do not need in the agricultural industry, it is something to change the decisions that producers make and not pay as much attention to market indications, to market prices and to market returns as they should.

I recognize fully that it is extremely difficult and maybe impossible to put a program in place which does not have that use made of it. In talking to individuals from different parts of Canada in the last number of weeks, the decisions on what they plant this year in many cases are going to depend on what they see in the short run being returned to them from the GRIP payments.

One can say that should not happen and, if they are looking at the long-term good of agriculture, they should not be doing that. I agree. What has happened in the short term in agriculture, especially at the primary producer level in the last number of years, is that even though farmers know what is the long run proper thing to do as far as environmental conservation and long run investments are concerned, for example, they unfortunately and realistically have to survive in the short term. They have to satisfy the needs of their banker for the next 12 months, as well as their personal needs, the needs of their family and their social needs in the next 12 months. They may very well be forced into looking at what is sustainable economically, and economically only, for them in the short term and therefore have to neglect what would be best not only for their own individual operation in business, but collectively for the over-all good of the farmers and producers in the long run in order to get through until next year. We will worry about next year when next year comes.

I have some grave concerns that in the short term these programs may and I know are influencing cropping practices for this year and the direction of the crops.

In the same light, it is definitely going to encourage thoughts and actions toward cropping practices that are not the best for agriculture and for the good of all of us as Canadians as far as environmental sustainability is concerned.

There is encouragement with this and I know there are some safeguards that are being put in place. I advise the minister and hope it will take it under advisement that safeguards must be watched with this to prohibit what will likely occur in many cases. That is what we refer to in the primary producer sector as planting fence row to fence row.

One of the problems we have in Canadian agriculture at the present time is that we are planting crops on marginal land. Because they do not yield and because of the many attempts to get a decent yield, input costs are high. The yields are just not available from that type of property or land resource, therefore when the yields are obtained they have a high cost of production.

As far as adding something constructive, I wish there were something we could do. I hope that we are looking at it. I know that many of us are looking at a certain type of program.

• (1020)

I think we should consider—and it will have a short-term cost but I think it will have a long-term benefit—taking some of the marginal land in this country, which programs like this encourage farming, out of production

and using it for something else. This means that the land that is being farmed can be used at a more profitable and realistic level, and we will all be better off environmentally.

The other concern I have is whether this program is going to be accepted as it should be in international trading circles. The question that many of us ask is, is it "GATTable"? In other words, is it acceptable at GATT? I have to have confidence that this is being looked at.

But when I look at some programs that we have had in the past in Canada, programs we thought were safe, we thought were untouchable as far as other countries were concerned, were not. Some of those which we have been able to protect effectively, and I refer to the on-going saga of countervail duties on live pork and fresh chilled and frozen pork, we have had those to GATT panels, we have had them to free trade panels, and we win one day and lose a few days later.

Our trading partner to the south is very effective because, as they have a different way of funding these disputes than we have here in Canada, as soon as the producers convince the government, it funds all of the court cases. The United States is successful in keeping the cases in the courts, in the dispute panels or the GATT panels, until a lot of damage is done.

I have a lot of concerns. And I only hope that because this program is theoretically offered right across the country, to all producers, that this will be acceptable to them.

The other concern I have is about what will happen to the GRIP program, in particular, as far as the premiums are concerned. As I said from the outset, this is an enabling legislation and producers are out there now buying the sizzle to this legislation and I do not blame them. In the short-term, quite frankly, they cannot afford not to. The banking industry is saying, yes, we want you to join. It is giving the producer something that is bankable, no question of that, in the short term. But I am also hearing many, many producers asking, where is this going to leave us in the long term? What is going to happen to our premiums in the long term?

The base prices that are being used are at a percentage of a 15-year average. And we all know what can happen to 15-year averages, especially in the case of some crops and some products when the peaks in those prices drop off. Every year we have to remember that one year drops off at the beginning of that period and another one adds on at the end. If those peaks drop off, and especially with what has been happening in many crops in the last few years where prices have been low and there is nothing in the foreseeable future to make us think that we are going to have any major increases in prices—especially in the grain situation—and we know that just is not going to happen. Probably the prices we have now are far closer to normal than they have been for some time, and they will likely stay around that range.

So, what is going to happen to those average prices? I will tell you what is going to happen to those average prices, they will go down. Unfortunately, reality enters the picture and the cost of production goes up.

The minister said yesterday, and it is understandable, that in the short term the GRIP program will go into deficit. Once any program is in deficit when the premiums are examined in the future they will be examined with the hope that the deficit can be recovered by the premiums.

The concern I have and the concern of many producers is that as the long-term benefits of this type of program are looked at in the future, the guaranteed gross revenue per acre is going to come down. The cost of production is going to go up and probably the premiums are going to go up as well. Because of the type of program that it is, the bill cannot allow—and I agree—individuals to get in and out whenever they want, but when a producer signs up he is in for four years. If it just does not pencil out into black ink down the road in three, four or five years, the producer is caught and has to stay in the program. There is a lot of concern about that. I suggest that must be examined.

Another concern I have is there is nothing in the legislation, that I can see, that says there will be a national supervisory committee. The legislation says that the results of this legislation will have to be reviewed, I believe by April 1, 1996, which is basically five years, and every five years after that. But there is nothing in the legislation that says there must be and there is an ongoing committee to review this legislation all through next year and each year as we go on. I think it is important that that be done.

I see my time is running out. The other program basically, and there are others, is NISA, the Net Income Stabilization Account. Not a lot of provinces have agreed to take that on. I agree, it is an excellent program as far as individual farmers are concerned. It is costly as far as governments are concerned.

I have some long-term concerns on that program as well. Can we, in the agricultural industry—and I hope we can—justify those types of expenditures to the rest of Canadians? It is a registered retirement type of fund. Unfortunately, it is not going to help those who are struggling in agriculture because they will not be able to put money in it. They simply will not have the dollars to deposit.

The bill is an honest and good attempt and a bill that I can support. It is going to create a situation that I know is going to require a lot of monitoring. It will require some discussion at the committee level. It disappoints me that again we have an agricultural bill brought into the House on a Monday and the government says we have to get it through in a hurry. We have done this with several other bills. I wish there was not always the urgency. This concern and this requirement has been there for some time. I wish there was not always the urgency when this comes forward.

I am hearing more and more, in the last couple of days, of individuals and groups that want to discuss this bill with the committee and I hope the government will allow the time. I know it will be encouraged to allow the time to listen to them. There is more to discuss. It is better than what we have at the present time, but it needs monitoring. It can be improved and I look forward to all of us doing that for the agrifood industry.

[*Translation*]

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, before I direct my comments and questions to the hon. member for Prince Edward—Hastings, I would like to say that on occasion, and probably unintentionally, the hon. member has referred to a member's being absent from the House. However, to be fair, this morning I would nevertheless like to take this opportunity to refer to the presence of the Deputy Prime Minister, the Minister responsible for Agriculture. His presence is to be commended. It shows he is interested in agriculture and also has great respect for the House and its members.

[*English*]

Now, to my colleague from Prince Edward—Hastings, I share his support, in principle, for the bill. I think he raised some very real concerns and we do hope that they will be addressed in committee.

• (1030)

Members in the House familiar with the member from Prince Edward—Hastings are only too familiar with his knowledge and particularly his commitment to agriculture.

I would like to ask my colleague how this legislation is being perceived and received by agriculture industry groups across Canada.

Mr. Vanclief: Madam Speaker, I thank my colleague for his question. I think in all honesty that in general it is being received quite well. However, what concerns me is that as time goes on nervousness is increasing.

I echo the sentiments of my colleague that the minister has been here for this debate and I appreciate that. But there are concerns. Probably the province that is promoting this legislation and has been for three or four months, more quickly and with more energy and enthusiasm than anyone else, is Saskatchewan and its premier. Those that follow politics know the reason for that. Mr. Devine has some problems and concerns, not only financially but otherwise. In a lighter vein, in the last 24 hours I see he does not even know what a riding is. There is some question on who represents where in the province.

I noted that one of the premier's ministers, the Minister for Rural Development in Saskatchewan, said, "farmers are not getting enough time to make an informed decision on this. The cattlemen have some concerns."

When the minister made his statement yesterday and he read that "cattlemen say that they choke on GRIP," I wondered to myself, why? Their concern points out the concern I raised a few minutes ago that this program is probably going to redistribute the cropping acreage throughout Canada. Looking at the figures, it is evident that it encourages production of some crops more than others. The beef industry is a major user, especially in

the west, of barley. The beef industry is concerned that the program may redistribute the acreage, for example, to crops other than barley, therefore creating a shortage in barley, increasing the price of barley on the open market, and thereby increasing the cost of their production.

Forage seed growers have concerns as well. There is no question, as I said before, that the banking industry is happy, and rightfully so. I can tell you from experience that this program serves a very worth-while purpose because an individual can go to a bank manager and say, "Madam, or sir, I can guarantee you that this is what my returns will be per acre." That has not been possible for farm producers, for agriculture producers in the past. That part of it is good.

My real concern, and I am sincere on this, is about what we are going to do with this type of program in the long run. We are all sincere, we are all trying to do our best. I am not sure that enough study has been given and time has been taken to look at the long term. It is going to do the job this year and next year. The government has said it will put money into the program. I hate to say this, but the government will put money into the program, especially in the next couple of years before there is another federal election, but that is not what is going to dictate the action. The markets are going to dictate it; the uncertainty about what is happening in GATT; the impossibility at the present time of settling things at GATT.

The discussions for a GATT settlement that we hoped would happen by December 1, 1990 may go on for another couple of years. If it does go on for another couple of years, we know the trade games and the subsidy games that are going to be played between those two big treasuries that we cannot compete with, the European Community and the United States. As a country, we just cannot play in that game. If we cannot play in that game, it will depress prices and on and on, which means these types of programs are going to have higher than ever pay-outs. We are going to have to make those. They are going to be needed. It is going to keep us going in the short term, there is no question about that.

Unfortunately, what has always been and may always be throughout the world is that the primary producers are kind of "next-year" people. Hopefully, this can be the beginning of a type of program or a combination of programs that can be worked on, monitored, pushed and poked over the next number of years so that producers can get more out of their products, so that they are not just living hand to mouth for 12 months, hoping to get through until the next year.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I would just like to have the hon. member make a comment or two.

He spoke briefly about the moral hazard of the program. Farmers will be making decisions as a result of the program, switching acreage, and probably bringing marginal land into production. Is that not a self-defeating purpose? I do not believe that farmers look at the program that way. They are looking for a bankable program, with long-term objectives in mind. Any program has the risk of moral hazard. Is the hon. member saying that the programs are being funded with too much money and that the programs are too rich, allowing this to happen?

Mr. Vanclief: Madam Speaker, I want to remind my colleague that I said I did not like to see that type of thing happen, but in reality that is what, according to what I am being told on the concessions, is happening. Because of the financial situations that individual farmers may very well be in and their sector of the industry may very well be in, they have to look, as any business person has to, at what is the best and easiest way to come up with the biggest figure in the bottom right hand corner of the balance sheet for this year. In reality, that is what is happening. Even though, as I said, and I hope I made it very clear, that is not what they should be doing. They know they should not be looking at it that way, but they are forced into doing that.

As far as investment in the program, I am not saying and I did not say, that there are too many dollars going into the program. What I am saying and what I did say, is that the dollars that will go in there have to be monitored. We have to be able to explain to all Canadians why they are needed and we have to justify—as anyone does, as any government does, as any parliamentarian does—the actions. I think we have to do a better job, as a department, as a government, as opposition members, as players in the industry, of explaining to Canadians why it is there.

I was very upset, and I have been upset more than once, when a certain kind of question went to a member of the cabinet and the cabinet member stood up and said: "This is another example of *x* millions of dollars this government has given to farmers". I get very annoyed at that. That is an excellent opportunity for the minister to explain to Canadians why that is a good investment.

As I said, as goes agriculture, so goes the industry, so goes the economy of any country. It is money well spent, as long as it is well monitored.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, I am pleased to be able to participate in this debate regarding Bill C-98. This piece of legislation has been promised to the Canadian public and to the Canadian producers for some time. In fact, it was back in 1985 that the former Minister of Agriculture, Mr. Wise, promised a long-term, permanent program for agriculture. I am glad, and I am sure most people are glad to see that it is finally arriving.

There are some good aspects to this bill. The fact that there has been more consultation than usual is of value. The fact that there is a mechanism for a review every five years is a plus and that there will be an annual report on the programs to the House is also important. Those are important factors.

• (1040)

The one thing I think we must keep in mind, especially for those who are watching this debate or happen to read it in *Hansard* is that this bill does not outline the details of the particular agricultural programs. What it is instead is enabling legislation. It is legislation that is going to provide a framework which will allow the government to enter into programs. That is all that does. We have no details on exactly what form GRIP or NISA will take, the full details of premiums and so on. They do not exist in this legislation. It is simply a framework.

I think in looking at that framework perhaps the key clause section in the whole bill is the clause which sets out the statement of principles, clause 4(2). This clause outlines four basic principles which the government shall follow in establishing any programs. I would like to go through them, if I could, because I think they are important.

The first one states that the program should not unduly influence the decisions of producers of agricultural products with respect to production or marketing and should encourage adjustments with respect to production or marketing so as to improve the effectiveness of the responses of producers to market opportunities. In other words, the program will not unduly influence the market. That is fine. That is a good principle. It is important for farmers to be able to react to the market and not be forced through government programs or government regulations to skew either way. That is a good principle and it will be a good test for the program.

The second principle talks about the fact that the money shall be fairly distributed through the program; that the level of protection to be provided by and relative share of government contributions to be provided to the program in relation to particular agricultural products or classes should be reasonably consistent with all other agreements. In other words, the money should be evenly distributed. That is an important principle because what we need and what this government and past governments have failed to do time and again is to develop national programs that respect and represent this country as a whole. We often have piecemeal legislation. That also is an important principle.

The other two principles—that it shall meet international obligations and that the program shall be environmentally sound—are also very important principles.

The fact that the principles are in the legislation is important. The next question is: will they be followed? That is a question that cannot be answered today and will only be answered in time as the programs are introduced, developed, followed and reviewed.

I think another question that we would ask as social democrats is: Could we fit a strong social democratic program into this framework? The answer is, yes we could. We could follow these principles and put in a very sound social democratic program that is market responsive; that does allow producers to follow their inclinations and act with the market; that is environmentally sound; and is meeting Canada's international obligations. We could put in there a very good social democratic program.

The question is whether this government will. I guess the issue is: exactly what type of stability is being sought under this bill and for whom? One thing that concerns me, and I know it concerns a lot of my colleagues and other people across the country, is that under these principles there are some missing; primarily one that sets out and commits the government to maintain viable farm families. If we are going to maintain a viable world community in this country in areas where agriculture is the economic base, we have to maintain farm families.

This bill says nothing about that. To me, that is a major omission and a major problem. Although you could fit in a good social democratic program, as New Democrats we are very concerned with the future of farm families, we are very concerned with the future of rural communities, in putting in a program. You can also put in a program which that does not recognize or deal with the future of farm families. I say that because the record of this government has been the dismantling of farming families and in fact the dismantling of rural Canada. We have had a number of examples over the last few years. To outline some of them, we have certainly had changes in advance payments which have not kept in mind farming families and average size farms. That is not the principle behind the change to advance payments. The Canadian Wheat Board is being dismantled and certainly in the removal of oats there was absolutely no meaningful consultation in that change. Many producers want canola but the government has and continues to refuse to allow farmers and wheat board permit book holders to make a decision on their own wheat board.

I see red flags when we have a bill that on the one hand sets out some nice principles but on the other hand, when you compare it to the actions of this government, makes you wonder if in fact this government is really committed to the principle. Why does it not act with respect to the Canadian Wheat Board and allow producers to make their own decisions on the future of the Canadian Wheat Board?

The free trade act has also wreaked havoc with the Canadian Wheat Board and with the grain trade in this country. This spring it is expected that American grain will be allowed to come freely across the border. That is going to cause further problems and will drive down the price. The Canadian Wheat Board has already said it is going to make sure it is very competitive with American grain which simply means the Canadian farmer is going to be receiving less for his or her grain.

Two-price wheat is gone. The whole future rationalization of the transportation system in this country has not been proceeded with keeping rural families in mind. When those types of actions are taken without keeping in mind these fundamental principles, who is to say what sort of program we are going to have under this particular bill?

In my opinion, it would much improve this legislation and much improve the confidence of Canadians in this government if there were some commitment to developing a program or programs that in fact have the objective of maintaining viable rural communities. That applies not only to this legislation but certainly to the rural Canada that depends on forestry, on fisheries, et cetera.

There are no details with respect to the actual programs but there are some concerns. We are hearing all kinds of rumours on GRIP and NISA and certainly the Saskatchewan government has been going all over the province, in fact claiming that it is its own program basically. There are some concerns about the GRIP; that it is not based on the cost of production, that there is no cap in the actual legislation. There is on the program. We have not seen those details. We do not know exactly what is going to be coming out when the program is announced. Certainly the words and comments we are hearing do not bode well for viable rural communities in the future.

The bill needs some fundamental change with respect to the principles that it sets out.

I think it is also important to state that while this bill deals with incomes, there is another aspect that goes hand in hand with incomes that this government has yet to talk about and that is farm financing. The rural communities and farmers in those areas have been trying to survive but they have been suffering because they have not got a steady, reliable income, and the financing aspect has really hurt them, along with input costs going up.

While it is very important to have a stable income program, and it is yet to be seen in fact if we will have one, it is just as important to have a strong finance program as well. We have seen time and time again, in Saskatchewan and right across the country, foreclosures are up, quit claims are up, people are having a very

difficult time. It is very disappointing, I have found that the minister introduced this bill knowing full well that they were coming for some time and has not put a moratorium on foreclosures, at least until this bill takes effect. In fact, this government would do a great service to rural Canada if it would stand up today and announce that all farm foreclosures will not be proceeded with until such time as this program had a chance to take effect, to allow farmers to keep their land.

• (1050)

There are many farmers who are simply hanging on, literally by their fingernails. It is important that they have a stable income.

Another aspect with farm financing is, of course, interest rates: We in the farming communities need stable interest rates. It is very difficult for many farmers. There are many senior farmers and there are numerous farmers who would like to retire from the land, who would like to leave the land, those who are getting close to retirement age, and many who are past retirement age. I run into farmers all the time who are well into their seventies who say they would like to get off the land but who really have no mechanism, no way of getting off the land. They cannot get rid of their land. Nobody can afford to buy it; the interest rates are too high.

We need a mechanism to set in a whole new generation of farmers so that in 20 years we are going to have a viable farming community. Therefore, we need a mechanism that is going to allow senior farmers to get off the land and allow younger farmers to get on the land.

That has not been addressed. There has been no indication of changes by this government with respect to that objective. It is not that we are short of alternatives; in fact even Jim Hewitt, the chairman of FCC, has made some very valuable contributions with respect to that matter.

Along with a strong incomes program, which I hope this bill will allow, we also need a strong national finance policy. it has to be a program that takes into account rural Canada—that is the key factor, that is the important factor that we have to take into account.

I would say this in concluding; we need a national policy, both with respect to income and farm finance, that recognizes the ultimate importance of a healthy industry to rural communities right across this country. Policies and programs must be available to assist farmers in realizing a return on their investment and labour comparable to that of other industries, so that an industry based on family control and family-operated farms can be maintained. That is the key element, that is the underlying issue. Certainly on this side of the House we will be calling for some changes to this legislation that are going to set out those principles and commit the government to moving toward developing programs that have that as a fundamental objective.

This bill allows for such an income program to be put in place. The question is, will the government achieve that desirable objective? That is the question that has to be dealt with and that is the question to which we await, with great anticipation, an answer.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, I would like to say just a few words about this legislation presently before the Chamber.

Of course, we are debating the principle of the bill; in other words, the principle of income stabilization in the primary industry of agriculture.

The question has been put in many different ways concerning our primary producers because, of course, everybody realizes that they are perhaps the most important economic element in our society that keeps our balance of payments in the right order. They contribute more than other sectors of our economy because what they are producing is food, a most important commodity in today's world.

In thinking about the principle of this legislation, we have seen various attempts by governments over the years to stabilize incomes of farmers, fishermen and other primary producers. However, these attempts to stabilize incomes through measures such as crop insurance or, in the case of the fishing industry, the Fisheries Prices Support Board, all have one major drawback.

An assessment is made of the year and then the Government of Canada, through the mechanism of legislation, enables those primary producers to receive some compensation. The compensation is given after the fact. It does not profit somebody very much, for example, if they are about to lose their home and their property, and they are told by the legislators that what they passed

was something that says: "We are going to assess the damage at the end of the year and then we are going to discuss it between the governments. Perhaps sometime next year, you will get some money. You will get some money but we cannot tell you exactly how much money you are going to get."

I suppose that is better than nothing, but it does not do anything for the man or woman who is facing the seizure of property by our financial institutions. It appears to be the thing these days for financial institutions in this country to analyse the economy and to say all of a sudden: "Perhaps those primary producers are not really a good investment because either the industry is down generally or because of some external factors, external even to this country of Canada."

What happens is that our chartered banks deal with producers who need a line of credit almost on a daily basis. Because you are in a business like that where you are selling a commodity, you first of all have to produce the commodity and even after you have sold it, you sometimes have to wait for your money. It always was the tradition of our banking system to say: "We will allow you a certain overdraft at the bank because of your particular circumstance". You could go in and say: "I have definitely sold this amount of farm produce," or, "I have sold this amount of fish. Definitely, I have the contract. It is here."

Madam Deputy Speaker: I apologize, but I have to interrupt the hon. member at this time.

It being 11 a.m., pursuant to Standing Order 35, the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

CANADA POST

Mr. Jean-Luc Joncas (Matapédia—Matane): Madam Speaker, my constituents are saying, loud and clear: enough is enough! After seeing their parishes and CBC station shut down, and after the cuts in VIA Rail services, now they are going to lose their traditional post offices, which will also mean more unemployment.

Madam Speaker, my constituents Petite-Matane and Rédemption are very upset about the fact that their post office will be closed, and they are asking the government's help in obliging Canada Post to rethink its policy, in communities where the post office is the only symbol of their ties to the rest of Canada.

Madam Speaker, the people in these small villages are not asking for the improved services they were promised. They just want to keep the services they have.

Why, in a region where the poverty rate is the highest in the country, this attempt makes matters even worse? Do they want to close down the Gaspé?

* * *

[*English*]

INTERNATIONAL WOMEN'S DAY

Mrs. Beryl Gaffney (Nepean): Madam Speaker, today, International Women's Day, is set aside as a time to celebrate women and our achievements as we work to take our rightful place as equal partners in society.

Violence against women is perhaps the most persistent yet intolerable situation in the struggle. Documented evidence shows that violence against women has not abated.

Amnesty International reports indicate that, and I quote: "the list of gross violations around the world against women is endless—Many are targeted because they are strong, because they are political activists, community organizers, or persist in demanding that their rights or those of their relatives are respected. Others are targeted because they are seen as vulnerable young women who can easily be sexually abused or humiliated, pregnant women fearful for their unborn babies, or refugee women who are isolated and vulnerable in unfamiliar surroundings."

I implore all members of this House to take a moment and think about what this means and how it feels.

The Liberal Party is strongly committed to moving quickly to make women true equals. This government, on the other hand, is longer on rhetoric than it is on its record.

S. O. 31

INTERNATIONAL WOMEN'S WEEK

Mr. Jacques Vien (Laurentides): Madam Speaker, Monday brought the beginning of a special week of celebration throughout the world, International Women's Week. All across the country this week has been marked by numerous activities involving both women and men, including panel discussions, receptions, films, and rallies.

I invite hon. members to join me in congratulating the women of Canada for their significant contribution to Canadian society. No area of Canadian life, be it economic, social, cultural or political, has been left untouched by the talent and achievement of Canadian women.

In both the traditional and non-traditional sectors, women of every background are making their impact felt and bringing the sometimes elusive dream of true equality that much closer to reality.

* * *

SEED POTATO INDUSTRY

Mr. Joe McGuire (Egmont): Madam Speaker, the Prince Edward Island seed potato industry has been dealt a devastating blow. Potatoes are to P.E.I. what grain is to Saskatchewan, the engine of the provincial economy.

Potatoes have been responsible for 50 per cent of total farm gate receipts the last two years, $125 million per year.

The entrepreneurial spirit of our producers, dealers and exporters has put P.E.I. in the forefront of world potato production. P.E.I. is responsible for making Canada second only to Holland in seed potato exports.

The industry has reached this position because of 75 years of effort by both producers and government which has resulted in the establishment of a world-wide reputation for quality in seed, table and processing potatoes.

That reputation is now in jeopardy because of the PVY-N virus in our seed stock and an embargo by the United States, Canada and Mexico. This is the first time an entire province has been quarantined.

What P.E.I. needs today is a strict eradication plan in order to restore quickly our reputation in the marketplace and generous compensation to prevent wholesale bankruptcies.

P.E.I. potato farmers appreciate the attention—

Madam Deputy Speaker: I am sorry, but the hon. member's time is expired.

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CANADA COUNCIL

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, today we celebrate International Women's Day and, with this in mind, I would like to remind this House that the Canada Council is the chief means for the federal government to impact and support arts in Canada. Yet the board of the Canada Council has never been graced with a member of a visible minority.

At this time, when the need for a visible minority representative is greatest, a woman with talent and dedication has stepped forward.

Carol Geddes, who currently is a member on the Native Committee of Canada Council and was a member of the Northern Jury of the Council is a candidate for the board.

With the growing racial tensions in this land, it would seem that the time is at hand for such a woman who represents native peoples to participate in the important decisions that the Canada Council makes.

I would like to take this opportunity to support Ms. Geddes' bid fully, in light of her substantial achievements, and I would like to urge that this House do the same.

* * *

[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

Mr. Barry Moore (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Madam Speaker, recently, the Government of Canada and the Government of Quebec announced that under the Canada-Quebec subsidiary agreement on the regional economic development of Quebec, three new programs will be implemented to help reinforce the economic

infrastructure in Quebec's resource regions, including the ridings of Pontiac—Gatineau—Labelle and Abitibi—Témiscamingue.

Both levels of government have agreed to budget $80 million, to be allocated over three different programs.

Madam Speaker, both governments realize that unfortunately, some regions in Quebec, including my own riding, have a very high unemployment rate and are experiencing serious economic problems. These initiatives will stimulate the economy in these regions by helping them carry out major projects, which will give these communities renewed economic vigour.

* * *

[*English*]

CROP ASSISTANCE

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, farmers from all parts of Canada are in desperate need of assistance this spring in order to get their crops in the ground.

Total net farm income has dropped by over 50 per cent. The federal government has promised a so-called third line defence payment but yet, to this day, it has not said when the payment will be made, how much it will be worth, or even who is eligible.

I wish to stress to the government that western grain producers are in desperate need of this cash, but so are producers in Ontario, Quebec and the maritimes; not only grain and oilseeds producers but horticultural producers as well.

The current income crisis is shared by all farmers, and I ask the government to take this into account when the payment is made.

* * *

[*Translation*]

INTERNATIONAL WOMEN'S DAY

Mr. Fernand Jourdenais (La Prairie): Madam Speaker, today I think it would be very appropriate to read a poem by Janet Foster called "A day of rest".

> Some women say God is a woman—
>
> Everybody knows that's not true—
>
> He worked six days and rested on the seventh;
>
> If God had been a woman, he wouldn't have stopped;
>
> After 85 hours of board meetings, working outside the home, making beds, doing the laundry, shopping, taking the kids to the doctor and the dentist, ordering groceries, nursing sick kids, spending Saturdays ironing and dusting and Sundays preparing meals, women don't know what the word weekend means.
>
> If God had been a woman, as so many people seem to think, he wouldn't have needed Sunday to rest.
>
> Since the beginning of time, women have known that only children, men and God need a rest.

Madam Speaker, I have this to say: Men, stop being selfish and help women achieved equality!

* * *

[*English*]

ATHLETES ASSISTANCE PROGRAM

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, the denial of full funding under the Athletes Assistance Program to Canada's female athletes because they become pregnant is a violation of their human rights. It is gender discrimination. The Minister of State for Fitness and Amateur Sport promised to remove this barrier to equality last October. He has repeatedly stated in the media that this policy will be changed.

On the occasion of International Women's Day, I ask the minister to take this opportunity to announce today that the Athletes Assistance Program will be immediately amended so that female carded athletes who become pregnant will be eligible to obtain full funding.

I ask the minister to correct this injustice to Canada's female athletes.

* * *

RURAL WOMEN

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, today, on International Women's Day, I rise to recognize the contribution of rural women across Canada.

Rural women and their families are under a tremendous amount of stress. They are overworked, underpaid, and their contribution often goes unrecognized.

The lack of support services and programs in rural areas is a major problem for rural women.

S. O. 31

Rural families lack accessible, affordable and flexible child care and stress counselling services. Battered women have no where to turn for help.

The farm financial situation has created a greater need for social support services. This has placed an even greater stress on the inadequate level of services currently provided. Yet the Conservative government and the Liberals before them have ignored the urgent needs of rural women.

In fact the recent federal budget cut financial support for transition houses, abuse counselling, child care, education and medicare. These cuts come at a time when rural women need these services the most.

• (1110)

I call on this government to provide adequate and stable funding to ensure rural women and their families have the support they need. I call on this government to treat rural women with the respect they deserve.

* * *

[*Translation*]

INTERNATIONAL WOMEN'S DAY

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Madam Speaker, today thousands of women the world over are celebrating International Women's Day.

I wish to emphasize the commitment of our government to promoting women's equality in our society. The Department of the Secretary of State, which is responsible for women's issues, provides annual funding for more than 800 volunteer organizations whose activities are aimed at improving living conditions for women. A host of projects to counter family violence have been initiated. Each project helps bring women another step closer to economic, social and legal equality.

To ensure that Canadian women have the full equal status to which they are entitled, we must continue to work in partnership with provincial, territorial and municipal governments, women's groups, community organizations, the private sector and the labour unions.

I would like to stress the exceptional work done by Canadian women who, by their efforts, are helping to promote the status of women.

Today, March 8, I would ask you all to join me in congratulating the women of Canada and their sisters throughout the world.

* * *

[*English*]

CSIS

Mr. George S. Rideout (Moncton): Madam Speaker, I was disappointed to see the government cave in to CSIS by not adopting any of the parliamentary review committee's major recommendations.

All Canadians know is that CSIS will spend $213 million. They do not know if it is on people, cars, airplanes or tape recorders. Parliamentary oversight would have provided the necessary controls over expenditures, as well as the secret operations of CSIS.

Ron Atkey, a Conservative and former chairman of the Security Intelligence Review Committee said:

> It also seems clear that the government wanted to avoid at any cost a commitment to introduce legislative changes.
>
> How convenient for CSIS which never really wanted to limit itself to investigating terrorism and espionage. And wasn't this just super for the communications security establishment, that huge vacuum cleaner in the sky which has the frightening capacity to invade the privacy of Canadians in a variety of ways, but which has no legal mandate and which is not accountable to anyone—

This government must explain to Canadians "why".

* * *

INTERNATIONAL WOMEN'S DAY

Ms. Dawn Black (New Westminster—Burnaby): Does International Women's Day mean anything more this year than it did 12 months ago, Madam Speaker? Absolutely.

Over those 12 months vocal protest halted this government's attempt to recriminalize abortion services and to sap the support of women's centres across Canada. Women celebrate those victories today.

Over the same 12 months, however, our Prime Minister refused to remember the Montreal massacre officially or to answer calls for a royal commission on violence against women.

The justice minister sidelined her own gun control bill. The status of women minister said that her government will not strengthen the toothless Employment Equity

Act. The health minister, with his superficial family violence initiative, returned a mere drop to the bucket of social programs that his government has emptied.

Over the same 12 months some Liberals felt no shame about—

Madam Deputy Speaker: I am sorry, but the hon. member's time has expired.

* * *

BILL C–85

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, the government's bill to privatize airports weakens the government's committed policy on bilingualism.

In 1988, Parliament passed a new Official Languages Act which applied bilingualism to airports. Bill C–85 to privatize airports restricts the application of the 1988 Official Languages Act. It does not deal with concessionaires, equitable participation and the language of work.

When Air Canada was privatized, all the obligations of the Official Languages Act were applied to the privatized airline.

Why is it different for airports? Yesterday, the Commissioner of Official Languages recommended amendments to Bill C–85 to make it consistent with the Official Languages Act.

I urge the government to listen to the commissioner and support full bilingualism at our airports.

* * *

[*Translation*]

INTERNATIONAL WOMEN'S DAY

Mr. Guy Saint–Julien (Abitibi): Madam Speaker, the theme for International Women's Day is "Together towards Equality". This theme stresses partnerships between all levels of government, non–government organizations, women's groups, the business world, schools and universities, unions and concerned individuals.

We agree that many problems remain to be overcome if women are to achieve true equality in all spheres of society.

Congratulations, Madam Speaker!

Oral Questions

ORAL QUESTION PERIOD

[*English*]

EMPLOYMENT

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the Acting Prime Minister.

Just one week after the so–called recovery budget the job verdict is in, and it is a disaster. There are 222,000 people in the city of Montreal looking for work, 194,000 people in the city of Toronto looking for work, and 84,000 people in the city of Vancouver looking for work.

Isn't this human job loss an example of how this government's economic policies are a disaster?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I do not think anyone in this House enjoyed reading the statistics that came out this morning on unemployment. We more than anyone else want to see people back to work.

That is exactly why the Minister of Finance brought in a recovery budget. The recovery budget will lead us out of the economic problems we are experiencing today and lead us back to economic growth in the middle of this year.

There are some signs already that the economy is starting to turn around. The markets are extremely active, and they traditionally lead us out of a recessionary period by four or five months. Interest rates are down by some 4 per cent. In the hon. member's city, the city that she lives in, if she were reading her local paper lately, it is shown that the real estate activity has increased there, as in other areas of the country.

There are signs that we are seeing things turn around, and we will in fact later this year see a recovery.

Ms. Sheila Copps (Hamilton East): Madam Speaker, if the member wants to talk about the city I live in, I would like to have him speak to those 30,000 people this month who are looking for work on the streets of Hamilton. I would like to see him pick up this morning's paper and read that the steel industry's predictions for 1991 are

worse than they were for 1990. We are witnessing the deindustrialization of Canada.

I want to ask this minister and this Acting Prime Minister: What specific policies do they intend to introduce to reverse their disastrous economic policies and start putting Canadians back to work?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, it is very obvious that the solution that the Liberals tried of throwing money at the problems did not work. The secret is to get interest rates down, to get inflation down, and to keep them down so that we can have permanent jobs. That is what the budget is designed to do.

I find it rather surprising that the acting Leader of the Opposition would in fact blame a budget of one week ago for the employment statistics that came out today for last month. That is Liberal figuring.

The hon. member also made mention that manufacturing is disappearing. I might point out to her a report from the Royal Bank which said that at the end of 1990 our manufacturing base in the Canadian economy was 9.5 per cent above where it was at the end of 1982. She should get her facts right.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Madam Speaker, I am referring to this government's poor economic management which started six budgets ago. In Montreal alone, 222,000 Canadians are living proof that your economic policies have failed. That is more than in any city in Canada, including Newfoundland.

I would therefore like to put the following question to the Acting Prime Minister: What specific policies will he introduce, starting today, to reverse the bankrupt policies of this government?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, I can inform the Acting Leader of the Opposition that the government has, in recent years, introduced several policies to stimulate the economy in Montreal.

Mr. Gagliano: What policies?

Mr. Danis: I will tell you what policies. For instance, we had the policy initiated by the Minister of Industry, Science and Technology, who invested $112 million in southwest Montreal to stimulate the economy. And there are others. For instance, we have the Space Agency on Montreal's south shore, where a total of $300 million will be invested. And if you want another example, we have the petrochemical industry. Where, following the Prime Minister's personal intervention, the federal government invested $55 million. We also have the Minister of Employment who created a training centre for workers in the petrochemical industry.

And now for another example: Since we came to power in 1984, we created 83,000 new jobs while between 1980–1984, your government registered a net loss of 5,000 jobs.

• (1120)

Hon. Herb Gray (Windsor West): Madam Speaker, the answer of the Minister of State should be displayed in the "museum of jokes" the government is setting up in Montreal.

[*English*]

Madam Speaker, my question is for the Deputy Prime Minister. The brutality, the cruelty of this government's economic policies have been demonstrated once again by today's unemployment numbers. In Ontario alone, the unemployment rate has gone up some 79 per cent over the past year. These are not just numbers on a page, they represent the lives of tens of thousands of Canadians this government is throwing on the economic scrap heap.

Why will the Deputy Prime Minister not admit that the unemployment numbers that came out today show that last week's budget is the wrong budget, at the wrong time, and is making things worse, not better, for hundreds of thousands of Canadians.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, just the opposite. It was the right budget for this time. There is no question about that.

Those who looked critically at the budget in a very fair and honest way support the Minister of Finance in his attempt to lead us back to recovery of the economy.

I might remind the hon. member, who rants and raves in the House all the time about figures, that today there are 1,283,000 more people working in Canada than there were when we took power in 1984. That is the number one figure. The number two figure is that unemployment

is about 1.5 points less than it was when we took power in 1984. That was after the recession. This is in the middle of a recession. We are starting to come out of it. We are on the road to recovery and we are going to make it by the middle of the year. We will not make it with negative comments from the hon. member, but by positive hard work by Canadians.

Hon. Herb Gray (Windsor West): Madam Speaker, the unemployment rate announced today is already higher than the unemployment rate forecast in the budget. The decline in interest rates the government has been talking about has stalled. Interest rates went up yesterday. The minister's answer is a slap in the face of the tens of thousands of Canadians looking for work in the towns and cities of this country; a slap in the face. In my own city of Windsor, there are now 17,000 people out of work, an unemployment rate of 13.6 per cent, an increase of close to 25 per cent over the past year.

I ask the Deputy Prime Minister this question. Why has this government no plans in the budget to create jobs except to cut $100 million from job creation funds? Is this the way the government intends to help Canadian workers? No wonder their plans are nothing more than a cruel slap in the face for Canadians and their communities.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the hon. member stands up here and talks about interest rates. They have dropped over 4 percentage points, over 400 basis points. Yesterday they went up one one-hundredth of a point. Interest rates did not move at all on mortgages, on consumer loans or anything else. So the hon. member is really a little misleading when he is giving that kind of figure in this House of Commons.

I might also point out that he is talking about Ontario. Ontario today has 485,000 more people working today than it did in 1984 when we took power from the Liberals, and more people are working in Ontario in more meaningful and full-time jobs. There are announcements in the papers every day of plant expansions, of growth in the economy—

An hon. member: Where, where?

Mr. McDermid: Where? I am glad the hon. member asked where; in Winnipeg, I.E. Aerospace Canada; in Mississauga, General Electric; in Thunder Bay, Earnway Industries, Trans-Alta Resources Corporation in Malton; Abitibi-Price in Manitoba; Journal Printing of Sudbury. I could go on and on. Thanks for asking.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, on this International Women's Day the Prime Minister has a responsibility to provide Canadian women with some answers, and some jobs. Figures released this morning show that the unemployment rate has jumped dramatically. It is an absolute disgrace.

Even more disgraceful is that we have seen the finance minister gloating with the big business community about his budget, the same budget that is forcing ever more women into part-time work or right out of the labour force altogether. This is happening because women have no choices.

Will the Deputy Prime Minister give Canadian women an economic break today? Will he enact the necessary training programs which he promised when his unemployment insurance cuts ensured the unemployment of Canadians?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I find it astonishing how the member can misrepresent the reality of the situation for women in this country today. The reality is that unemployment rates for women are significantly less than for men. Not that one is that happy about it, but unemployment rates for women over-all are about 9.5 per cent. In fact, the rates for adult women are only about 8.8 per cent.

There are, in fact, 900,000 more women working in this country since this government took office. Sixty per cent of those jobs are in administration, professional and managerial areas. It is the financial policies of this government and the budget which will put us on the path to economic recovery. More and more women will be going into these increasingly important jobs and achieving economic equality for women in this country.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I have a supplementary question for the minister. The fact of the matter is that this government has forced more and more women into part-time work and forced more and more women right out of the labour force altogether. That is the reality.

Madam Speaker, this government also cut $1.1 billion from medicare. These cuts will leave many Canadian women without choices for their own health care. This government did have a choice; it chose to retain tax loopholes that allow the business community to entertain their friends to the tune of the same $1.1 billion a year.

Madam Deputy Speaker: I am sure the hon. member has a question.

Ms. Black: I ask the Deputy Prime Minister to rise from his seat, look me in the eye, and explain why happy hour for the corporate elite means more to this government than the health of Canadian women and their children.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I will look the hon. member in the eye and I will tell her that that is not a tax loophole at all. As a matter of fact, if she had joined with some of her colleagues the other night to visit the Canadian Hotel Association and the Canadian Restaurant Association meetings, they would have told her that this is a very important part of our tourism industry, attracting tourists to this country, and which employs, I might say, hundreds and thousands of people in this country.

Ms. Black: Women?

Mr. McDermid: And women. Exactly, women in the tourist industry.

If she is advocating that we wipe out all those things that help employment in this country, so be it; have her stand up and say that. But at the same time also suffer the consequences, if we do that, where we will have less employment in that particular sector.

If you check with the tourism industry, which the NDP says they support, then you would not be advocating such a foolish move.

* * *

VIOLENCE AGAINST WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, it appears that the hypocrisy of this government knows no bounds.

• (1130)

Two weeks ago, this government announced a family violence initiative that would put a meagre $1.5 million towards stopping violence against women in our society and a week later slashed the Canada Assistance Plan which was the process for funding women's shelters, and for funding child care and services for children.

This government gave women a drop in the bucket on a Thursday and emptied the bucket on the following Tuesday. When will this government announce a royal commission on violence against women? This is something that women in Canada from coast to coast to coast are demanding from this government. We want a royal commission. Will it be announced on International Women's Day?

Hon. Perrin Beatty (Minister of National Health and Welfare): Madam Speaker, I listened with some disbelief to the hon. member suggesting that the government had announced $1.5 million for family violence in Canada, which is nonsense. We announced a $136 million family violence program. This represents a more than doubling of the commitments that have been made in the past of fighting family violence and child sexual abuse.

The hon. member says that we should be studying the issues related to family violence. I do not think we should be studying them. I think we should be acting on them.

* * *

EMPLOYMENT

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

None of the government's words will disguise the fact that 185,000 unemployed men and women are now living on the prairies; 162,000 unemployed Canadians in British Columbia; 142,000 unemployed men and women in Atlantic Canada and over 900,000 in Quebec and Ontario.

Just 10 days ago, the government forecast an unemployment rate in the months ahead of 10 per cent. Within 10 days, that forecast has been shattered. It now stands at well over 10 per cent. I ask the Deputy Prime Minister: What is the government's new unemployment forecast for Canada?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, again Liberal logic is to take one month's unemployment as a year's average which goes to the spring, March 31, 1992.

I think that the hon. member is about a year ahead of himself, and one month before the budget takes effect on April 1. I find that rather amusing.

The hon. member would have a reason to attack the government by March 31, 1992 if, in fact, that goal had not been set, but let's wait for 12 months before he attacks that. That is silly.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, only a puffed up minister of this government would tell 1.4 million unemployed men and women in Canada to wait a year before we say we are going to act.

I ask this minister who is not cold-hearted but who is heartless whether the government, in the face of these new unemployment stats that shatter the projections of the minister only 10 days ago will restore the $100 million cut to the Canadian Job Strategy Program.

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, when we talk about the Job Strategy Program, I think all the members of this House should remember that when this government brought in Bill C-21, which allowed the government to put a lot more money into job training which was one of the essential things that Canadians need, the opposition blocked it. The Liberal opposition blocked it. The Senate blocked it.

As a result of that, we did not have access to moneys for practically a full year. Now that the bill has been passed, the money spent on job training in Canada during the coming year will be over $3 billion. That is an increase of $500 million over last year, and an increase of $900 million over two years ago. I think the government is doing something about it.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is also to the Deputy Prime Minister.

In the province of Ontario, a traditional tower of economic strength for our country, 500,000 people are now out of work, 72,000 Ontarians having lost their jobs in February alone.

I ask the Deputy Prime Minister this question. Will his government now admit that its economic policies are wrong, or will he simply let the other minister do as he has done all the time this morning, evade the legitimate questions being asked on behalf of Canadians who are looking for work?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I would like to remind the hon. member that there are 485,000 more people in Ontario working today than there were in 1984 when this government came to power. So there are a lot more people working in Ontario.

That does not minimize the situation of those who are out of work. We feel badly about that, but we also believe, and believe most sincerely, that we have produced a budget and are setting an example for industries and other governments. Last night Newfoundland accepted the challenge. With its budget it knows that it has to trim and keep wage increases down, and keep expenditures down. It is setting a good example and we hope the other provinces will as well.

We will be coming out of this period of economic difficulty by mid-year and we will start to grow, create more jobs, meaningful jobs, full-time jobs, on into the foreseeable future.

That is what this budget is all about. What this budget will do is lead us to recovery in this country.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, the Tory version of modern math will not find jobs for my constituents.

[*Translation*]

I should like to direct a supplementary to the Deputy Prime Minister. Last year Ontario lost 153,000 manufacturing jobs as a result of high interest rates, the value of our dollar, and other mistaken policies of the Conservative government. When will the government launch an economic recovery program for Ontario regions in dire need of assistance, like the eastern Ontario riding I represent? The regions of Ontario need help. When will the government implement that kind of program?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the hon. member has every reason to say that we have problems. This is why we must come up with the right solutions for the unemployed. Again the hon. member is suggesting the goverment should spend money that it does not have and that taxpayers are not prepared to contribute so as to create artificially a situation which in the end will be

worse for everybody concerned. As he said, we know that interest rates must come down. This is precisely why we are taking measures to create the kind of conditions that will ease inflationary pressures and keep pushing interest rates down. The government is doing its best to achieve that and make sure the unemployment rate declines rapidly.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, rising unemployment shows that the recession is far from over. We lost 420,000 jobs last year. My question to the government is this: It often talks about national unity, so why does the budget fail to address directly the unemployment issue, particularly when we know that in Montreal, for example, another 60,000 men and women joined the ranks of the unemployed this month?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I can only repeat the remarks of my colleague the Minister of State for Finance and Privatization. We are concerned about the recession. Still I would remind hon. members that for a year and a half or two years now we have been saying that the Canadian economy is weak; that Canadians go on overspending despite the inflationary pressures on the economy; that they are jeopardizing their own jobs; and that interest rates are there to reduce that pressure. Yet opposition members said: No, no, artificially bring down the interest rates, increase the monetary mass, inflation and unemployment.

In an attempt to correct the situation we had to make decisions that should have been made in 1980–81. Interest rates have been going down over the past four months and the situation in Canada has been gradually improving so that industries—they, not the government, create jobs—will find that conditions are ripe for the recovery we are all waiting for.

• (1140)

[*English*]

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, the minister talks about the problems this government has tried to deal with. It says that inflation was a problem. It is a problem which this government has made worse with the GST. That is what the last statistics on the cost of living show us.

They said interest rates were falling and that would get us out of this problem. Yesterday they rose. They said jobs would be helped. Today they have given us the biggest jump in unemployment since 1985.

Will this government admit that its budget last week was a mistake? Will it admit that it has failed people, that it has listened to big business instead of caring about the ordinary person. Will it turn direction and put this country back on—

Madam Deputy Speaker: I think the hon. member has put his question.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, that is the same member who stood up in this House just a few months ago and demanded that interest rates drop 2 per cent. That is exactly what they asked for. They have dropped 4 per cent. The gap in interest rates has narrowed between the United States and Canada, rather dramatically. He is wrong in his figures again.

If the hon. member wants to get his act together, why does he not stand up and thank the government for lowering interest rates 4 per cent? He asked for 2 per cent and we doubled it.

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KUWAIT

Mr. René Soetens (Ontario): Madam Speaker, on a daily basis we observe in the news media the destruction that has taken place in the Persian Gulf, particularly in the country of Kuwait because of the war. That presents a tremendous opportunity for Canadians, as it does for many people around the world, to create the jobs that are possible through economic activity.

Can the Minister for International Trade advise us what the Government of Canada is doing it assist Canadian business to make sure that Canada gets a portion of the work available in Kuwait.

Hon. John C. Crosbie (Minister for International Trade): Madam Speaker, on July 16, the Minister of Finance of Kuwait visited Ottawa and met with me and with the Prime Minister. He assured us that we would have a prominent and valuable part in the reconstruction of Kuwait.

At the present time, the Secretary of State for External Affairs is visiting Saudi Arabia and Kuwait. He has with him a senior business delegation from Canada. We

have a task force on Kuwait reconstruction established in our department to provide advice to exporters and to register the interest of companies.

The Canadian Commercial Corporation has established a Kuwait reconstruction desk. I am announcing today the creation of a private sector liaison group on Kuwait reconstruction. I have in my hands a message from Riyadh from Mr. Craig Dobbin, a prominent Canadian businessman, saying: "It is a real feather in our government's hat, in that our group, the Canadian Businessmen, will be the first commercial visitors to Kuwait City after the war". This is from Riyadh, Saudi Arabia.

We are making Herculean efforts to see that we take advantage of the opportunities that are open to Canada and to others in Kuwait. We will do all we can to help in the reconstruction.

* * *

[*Translation*]

ABORIGINAL PEOPLES

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, my question is directed to the Minister of Justice. The Minister is well aware that the Standing Committee on Aboriginal Peoples is hearing witnesses concerning the events of last Summer in Kahnawake and Kanesatake. Almost all the testimonies insist on the number of civil rights violations. How can a significant response be found if the provincial authorities do not testify and if the committee does not visit either Kahnawake or Kanesatake? And why does the Minister refuse to set up an of inquiry to thoroughly examine the situation?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I congragulate my hon. friend on the quality of his French which may be superior to mine.

The hon. member is well aware that all decisions made by a Parliamentary committee concerning its business are its own. The government has nothing to do with them. Moreover, questions concerning commissions of inquiry should not be directed to the Minister of Justice, but to the proper ministers involved in these matters. My colleague the Minister of Indian Affairs and Northern Development may have his own views about such an inquiry concerning the Oka events which, by the way, are outside my purview. Although I have nothing to do with the business of the committee, I share the hon. member's interest in it.

[*English*]

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, the precedent was created as early as 1923 when the government instituted a royal commission to examine the army moving into settle a strike in Sydney, Nova Scotia. I think the minister will realize that the situation remains tense and is becoming perhaps more tense. If the question is not dealt with frankly and openly by all concerned parties, the situation and the problems are going to augment.

I want to know why the minister and the government will not appoint a judicial committee. We do not want to see another situation where the military is brought in to deal with a political situation.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, perhaps I should defer to my colleague in Indian Affairs and Northern Development, but I think it is important for the hon. member to understand that the causes that led up to the situation in Oka last summer are multi-discipline in terms of the government. They involve the Department of Indian Affairs, the concerns of the Solicitor General and the Department of Justice.

We are actively considering those circumstances and the best government policy to do that. Whether in fact a royal commission or a commission of inquiry is the appropriate way to go, I cannot say, and I am not sure that would not simply delay the ability of government to respond constructively.

I think there is also a problem, and it is a problem that arises in my own province as well, with respect to issues related to native people. There are a number of initiatives we are taking in the government to try to provide positive steps which we hope will deal with the underlying causes. My colleague in Indian Affairs can talk about those.

In the area of justice, I might say that I will be jointly chairing with the Minister of Justice in the Yukon a federal-provincial territorial conference on aboriginal justice this fall which I hope will provide some positive

suggestions to deal with the underlying causes, which I think we all agree have to be addressed to avoid similar circumstances.

* * *

AGRICULTURE

Ms. Catherine Callbeck (Malpeque): Madam Speaker, my question is for the Minister of Agriculture. The economy of Prince Edward Island is not a large one, so when the province is faced with a crisis in a major industry, such as the potato industry is experiencing right now, the whole economy is affected.

Will the minister advise the House if the potato farmers of Prince Edward Island will receive full compensation for the losses that they are incurring as a result of the PVYn virus?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I recognize the importance of the potato industry to Prince Edward Island. In that regard I and officials of our department have been working very closely with the producers and the Government of Prince Edward Island and indeed, the Government of New Brunswick which has been involved as well in an eradication plan which would be also tied to some form of compensation.

We have said all along, and I think that this finds agreement with the Government of Prince Edward Island, that any compensation plan has to be tied to an eradication program. I believe we are at the stage where that has been fairly well developed. I will be meeting with representatives of the P.E.I. and New Brunswick potato marketing board this afternoon. We will be outlining the details and trying to conclude this in a satisfactory manner.

Ms. Catherine Callbeck (Malpeque): Madam Speaker, this is a very critical situation. The very livelihood of some Prince Edward Island potato farmers is at stake. The entire economy of my province is affected by this. Farmers need to plan now for this year's crop.

When will the minister announce the precise compensation package and let farmers know where they stand?

• (1150)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I recognize that farmers want to plan for the future, but I think they also want to have the assurance from the two levels of government that an effective eradication program is in fact put in place, and to attempt to restore normal production and normal trading patterns.

I have to tell the hon. member that this issue is all encompassing and I also have to consider other things, i.e. the recent Auditor General's report that was brought down on Prince Edward Island. It outlined some very serious deficiencies in terms of the administration of the potato disease control program, the inspection and, indeed, the enforcement of laws. I have to assure myself, and I am sure the producers will want to be assured, that the very major deficiencies that were identified in the Prince Edward Island Auditor General's report have to be identified and corrected. That is also part of the eradication program.

So there is certainly a joint responsibility here and we owe it to ourselves and to the producers that those deficiencies be corrected and those deficiencies are the responsibility of the provincial Government of Prince Edward Island.

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THE BUDGET

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, we are now seeing the impact of last week's budget. Last month, the Minister of Finance had a message for Newfoundland; $280 million in cuts from federal transfers for post-secondary education and health care.

Now, Premier Wells and his Liberals have chosen to take the path the federal government called for in its budget. They have slashed 2,600 public sector jobs and 360 hospital beds will be closed.

I want to ask the Minister of State for Finance if he will finally admit that the result of this budget is that thousands of Newfoundlanders will lose their jobs and that health care and post-secondary education will be cut in that province and, indeed, that the result of the budget will be that job losses and cuts to health care and post-secondary education will be the case across this country?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, the facts do not support the hon. member's comment.

In 1990–91, Newfoundland, in transfers to the province, received $1,000,376,000, about 44 per cent of its total budget by the way.

In 1991–92, it is going to receive $1,434,000,000. That is an increase, not a decrease. I do not know where the hon. member is getting this decrease from.

It was interesting to read the comments of the premier of the province of Newfoundland and the finance minister. I might say the minister of finance congratulated the Minister of Finance for Canada for the budget that he brought in.

Newfoundland is getting more money next year than this year. I am not sure what figures the member is looking at, but he had better get a new researcher.

* * *

UNEMPLOYMENT

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, my question is to the real boss, the Deputy Prime Minister of Canada.

As a fellow westerner, I am sure he has noticed now that the recession is real in western Canada, with pockets of unemployment of up to 15 per cent or 20 per cent. The city of Saskatoon has a rate now of 11.8 per cent.

What I want to ask him, as the Deputy Prime Minister of this country, is the following. Does he have the courage to phone up the Governor of the Bank of Canada, John Crow, and instruct the governor to roll back interest rates in this country so that they are more in line with the bank rates in the United States? There is now a 4 per cent gap and that gap should not be more than 2 per cent. Does he have the courage, as the Deputy Prime Minister, to phone John Crow and say, roll back the interest rates so we can export more from the west and create jobs for western Canadians?

Hon. John McDermid (Minister of State (Finance and Privatization)): One of the good news stories, if you can find it in the employment figures today, Madam Speaker, is that employment actually rose in Alberta last month. So there is some growth in employment in the west.

There are other areas, and the hon. member is right, there are pockets of high unemployment out west and we are very concerned about that, there is no question about that. But as to just automatically rolling back interest rates, it just does not work that way. The hon. member was another one who was on his feet demanding a 2 per cent roll back and now they have been rolled back 4 per cent.

The hon. member should know full well that we have lowered interest rates to get the economy going again.

The hon. member talks about gaps. Let us just take a look at those gaps because he has got to get his statistics right.

The prime rate in the United States is 9 per cent; in Canada it is 11–1/4 per cent. That is a 2–1/4 per cent difference in the prime rate, which is not too bad.

Madam Deputy Speaker: I think the hon. minister has answered the question. We will go on and let as many members as possible have the floor.

* * *

AIR TRAFFIC CONTROLLERS

Mr. Stan Keyes (Hamilton West): Madam speaker, yesterday we learned that an air traffic controller at Halifax International Airport had to shut down the tower to take a nap. Today, I have learned that five air traffic positions at Pearson International Airport in Toronto are being cut to save money in overtime.

My question is for the Deputy Prime Minister, the father of deregulation in the transportation sector in this country: Why is his government prepared to put human life at risk to save a buck?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the hon. member's allegation is a distortion of the facts. I am not aware of all the circumstances surrounding the incident in Halifax. If the hon. member is aware of them, then perhaps he might want to give us the facts.

There are two points to the question. Insofar as the Halifax incident is concerned, the Minister of Transport is in fact investigating this. Obviously, if the air traffic controller was not fit to be on duty, he did the proper thing. But the facts would have to be recognized.

Insofar as his allegation that the Government of Canada, the Department of Transport, is simply laying off people and putting human lives at risk, that is absolutely false.

Mr. Stan Keyes (Hamilton West): Madam Speaker, this government has been warned by the Canadian Air Pilots Association, this government has been warned by the Air Traffic Controllers Association, this government has been warned by the Official Opposition that overworked controllers at understaffed airports put at risk the safety of the air travelling public.

Does the Deputy Prime Minister not realize that the spectacle of an exhausted, overtired air traffic controller anywhere in this country may be the last signal before we witness a disaster at a Canadian airport?

Will the minister now promise to go back to the drawingboard to review the planned cuts at Pearson and the critical shortage of air traffic controllers in this country?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the hon. member knows that on previous occasions when this issue was raised in the House, the Minister of Transport did indicate that steps were being taken to deal with this particular issue, including the acceleration of the training of air traffic controllers. Obviously, I will ensure that this matter is brought to the attention of the Minister of Transport, and I am sure he will get back to the hon. member and provide him with detailed answers. I hope that he accepts the answer and reads it.

* * *

SECURITY INTELLIGENCE REVIEW COMMITTEE

Mr. George S. Rideout (Moncton): Madam Speaker, my question is directed to the Solicitor General.

Ron Atkey, a Conservative and former chairman of the Security Intelligence Review Committee, speaking on why this government turned down parliamentary oversight of the CSIS operation and budget said:

> The Solicitor General and CSIS tried to slip one past us. The government turned thumbs down on reforms designed to protect the rights of Canadians—

When most advanced nations in the world have parliamentary oversight of its security institutions, why is this minister too frightened to provide similar protection for Canadians?

Hon. Pierre H. Cadieux (Solicitor General of Canada): This minister is not frightened with respect to what the hon. member has just said. I think if the hon. member takes the time to read the comprehensive response to the committee's report, he will perhaps realize that some of the recommendations have been agreed to. The government is going to put in place some measures in order to guarantee what the hon. member is referring to.

The 117 recommendations *per se* have not all been accepted, and the hon. member knows why. He could read the report. I believe that SIRC has served its purpose before and will continue to serve its purpose. Mr. Atkey, who is a former SIRC member, should know what that is all about.

* * *

WAGE INCREASES

Mr. Rod Murphy (Churchill): Madam Speaker, my question is to the President of the Treasury Board.

• (1200)

Does the minister not believe that the pay raises that the senior executives got the day before the budget was announced were indecent, that it was hypocritical for the very people who are calling for others to lose their jobs to get pay increases above those of all the other government employees?

Does he not believe that those people, whether we call it retroactive or not, who are calling for sacrifices by others should lead the way by taking sacrifices themselves?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I would like to inform the hon. member that the heads of Crown corporations will be treated exactly the same as all other government employees.

He refers to numbers pertaining to last year, calendar year 1990. We are in 1991. What I announced last week was for the coming fiscal year, next April, and for the coming fiscal year the heads of Crown corporations will

not be entitled to increases beyond 3 per cent not only for next year, but for the next three years.

* * *

BUSINESS OF THE HOUSE

DESIGNATION OF ALLOTTED DAY

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would like to designate next Monday, March 11, as an opposition day or allotted day for the purpose of supply.

Mr. Rod Murphy (Churchill): Madam Speaker, since the government House leader has finally announced what he is going to do Monday, would he also be able to indicate to this House whether he intends to proceed with any government legislation next week?

Mr. Andre: Madam Speaker, the House leaders of the respective parties have been in discussion and looking at a calendar for next week and so on. It was the intention to use a number of the allotted days which are required under the rules.

I believe his House leader, if not him, has in his hand now a proposal for a calendar, as does the Official Opposition, and we are ready to discuss that and work on an agenda so we may all know as much in advance as possible the business of this House.

Mr. Murphy: Madam Speaker, again to the government House leader, I noticed on that calendar there is no reference whatsoever to taxation with regard to the northern tax benefit. There are a number of Canadians right across northern Canada who cannot get their tax rebate unless that legislation is introduced into the House of Commons. It has not been introduced whatsoever, and I would like to know when the government plans to introduce that legislation.

Mr. Andre: I am not sure that it is appropriate that we keep this negotiation on the floor of the House of Commons. There have been discussions with his House leader—

Mr. Murphy: It is not on the list.

Mr. Andre: We had discussions with his House leader. He keeps interrupting.

We have had discussions with his House leader. There is a willingness on our side, if there is on his side and in the Official Opposition, to pass that legislation very quickly if we can get co-operation. That is under active discussion. If he would consult with his House leader, I am sure he would find out about that.

* * *

[*Translation*]

POINT OF ORDER

COST OF MOVING MEMBERS' OFFICES

Mr. Jim Hawkes (Calgary West): I rise on a point of order, Madam Speaker. I think that the hon. member for Richelieu may have been off track when he spoke in this House yesterday. Perhaps he was daydreaming. At any rate, the plan is for four new offices for government members, not 30. Only 13 members will be involved in the move, and the costs incurred for each of them will be approximately $100. Those are the facts.

[*English*]

ESTIMATES

Mr. René Soetens (Ontario): Madam Speaker, I would like to rise on a point of order relating to the Supplementary Estimates and the estimates pertaining to next year's budget as tabled in the House by the President of the Treasury Board.

In the estimates as tabled there are included estimates for the Senate of Canada, in particular in the supplementary, as well as in section 21 of the regular estimates for next year.

In these estimates, particularly the Supplementary Estimates under vote 2c, there is an amount of $1 million. In the 1991-1992 estimates in section 21 under vote 5, there is an amount of $1,150,000 included for new allowances for senators. It is based on the $153 per day they are paid to attend meetings of the Senate.

I would like to quote from the *Minutes of Proceedings* in the Senate of June 5, 1990 which describe exactly how this money is to be paid to individual members, and then I will relate that to the point of order that applies. I would quote from page 1080 of June 5:

> "In addition to any other allowance otherwise provided, there shall be paid to each member of the Senate in this and future sessions of Parliament a tax-free living allowance at the rate of one hundred and fifty-three dollars for each day the member is in attendance at a meeting of the Senate, one of its committees or subcommittees, or a joint committee of both Houses, calculated as of the date of the

adoption of this Report by the Senate and payable, after Parliament appropriates the necessary funds, on application by the member."

That was approved, and that is the rule under which the Senate has established that the funds are available.

Members of Parliament and senators are paid under the statutes of the Parliament of Canada Act, which I have referred to, and I would now like to reference in detail my point of order. in the Parliament of Canada Act, Part IV, section 55(1), the sessional allowance of MPs and senators is clearly prescribed.

In section 55(3) of the same act the annual rate of change to this allowance is also very clearly prescribed.

In section 55(5) the rate of change that did not prescribe to the rate established in section 55(3) was included very specifically as a unique consideration.

In section 55(7), when again the automatic provisions for salary adjustments were overridden, an amendment to this legislation was enacted to change the rate of pay.

Section 57 of the Parliament of Canada Act deals with the deductions for non-attendance by members to the House and the Senate. I would also emphasize it deals with deductions, not increases or extra payments.

In section 59 both Houses are empowered to set stricter rules that relate to attendance.

Section 63 of the Parliament of Canada Act authorizes either House to pay certain expenses incurred by members. Specifically, section 63(3) establishes an allowance for expenses for members, and particularly section 63(3)(a) sets the allowance for senators.

Further, section 67(1) establishes how members' allowances can be adjusted annually by a very clear process.

Section 68(1) requires the Governor in Council subsequent to each election to appoint commissioners to review the adequacy of the allowances provided to members and to report their findings and recommendations within six months.

The government did in fact appoint that commission and its submissions were received in this House.

I would like to submit, Mr. Speaker, that the inclusion of the $153 allowance does not meet any of the preceding requirements. Further, in the absence of any indication of legislative amendments to the Parliament of Canada Act, I would request that you rule the senators' new allowance as it appears in the spending estimates out of order.

The reason I would do that, I would now like to indicate, is that there have been similar attempts to use the spending estimates to change legislation. The Speaker in the past has been asked to rule on similar type attempts. I would now like to cite a couple of examples which I hope Your Honour would include in your considerations on my point of order.

Back on March 25 of 1981, Madam Speaker at the time had been asked by the hon. member for Calgary Centre to address a similar occurrence, where in fact the statutes were not being amended but appropriations appeared in the spending estimates.

I would like to quote from page 8600 of the March 25, 1981 *Commons Debates*:

In 1971 hon. members commenced to take exception to those items in Supplementary Estimates which in effect were amending statutes other than appropriation acts. The hon. member mentioned those occasions commencing with the ruling of March 10, 1971 leading to the ruling of December 7, 1977, on a point of order which the hon. member himself had raised on that occasion. Because it was a new point in 1971, the Speaker disallowed only some of the items objected to on the ground that they were obvious amendments to statutes other than appropriation acts while permitting, with a warning, less obvious items to remain in the estimates.

• (1210)

Further, on June 12, 1981 the Speaker ruled on a similar point made by the hon. member for Calgary Centre. It is a rather lengthy ruling. I would like to quote some comments from it, but I would certainly refer it to Your Honour for consideration. As reported on pages 10546 and 10547 of the *Commons Debates* for June 12, 1981, it reads:

—history shows that during the past 10 years, members have objected that in one way or another the estimates that have been submitted from time to time by the government have attempted to do more than set out the spending requirements of the government for the next fiscal year. This is of course supposed to be the acknowledged purpose of estimates and appropriation acts.

In 1971 the Chair ruled that items in the estimates that attempt to amend existing statutes are out of order. This was confirmed by most subsequent rulings.

In 1974 and 1976 the Chair went further and dealt with the question of matters of substance being put in the estimates. The Speaker, in effect, ruled that the Appropriation Act is not the place to seek authority to do something such as to establish a program. Rather, the

> Appropriation Act should only seek authority to spend the money for a program that has been previously authorized by a statute.

It continues:

> In March of that year the Speaker said:
>
> The government receives from Parliament the authority to act through the passage of legislation and receives the money to finance such authorized action through the passage by Parliament of an appropriation act. A supply item in my opinion ought not, therefore, to be used to obtain authority which is the proper subject of legislation—

There are considerable other points raised in the ruling of June 12, 1981, but I think the final point I would like to refer to in the ruling made on that day relates very clearly to a specific appropriation in the spending estimates. I would like to quote again from the June 12 *Hansard*, which reads:

> Accordingly, consistent with earlier rulings, Energy, Mines and Resources votes 35, 40 and 45 are out of order. I note that in his remarks last June 1, the President of the Treasury Board confirmed this view when he addressed the question of the receivability of these items by saying, "Of course, legislation will be introduced with respect to those programs". By asking for money now, he would be putting the cart before the horse.

I would like to conclude on the basis that it is my opinion the spending estimates, as submitted, clearly are outside the statutes as they are printed in the Parliament of Canada Act. I would therefore request your ruling to rule out of order the allowance included in those estimates for the Senate of Canada.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I was not given notice of the point of order by my colleague opposite.

Since he is not arguing with regard to whether the measure is appropriate—he is arguing I believe with regard to the procedural aspects as to how it has been introduced here in the House—I am wondering if the Chair, who I would think would want to ascertain interventions from other members of the House, might wish to defer any decision until sometime next week when we have had an opportunity to review the particular point of order and to make a submission to the Chair.

Mr. Rod Murphy (Churchill): Mr. Speaker, I would also like to add further argument on this particular issue next week when we have had a chance to examine it. I think that the member for Ontario has made a very interesting point.

If that is the case, it would look like the entire bill should not be in front of this House, and that the estimates themselves are not properly placed before the House of Commons. That would be a very interesting thing, I think, for the Speaker to look into.

When you and perhaps other members are having an chance to review this matter you could take a look at the vote 2c itself where it refers to this authorization of $1 million being for the current and subsequent fiscal year. Of course, the current year is the year that ends March 31, 1991 and presumably the subsequent fiscal year is next year.

It is my understanding that the estimates before us can only refer to this year, not to a subsequent year, so what indeed the Senate has asked for is $1 million for the present fiscal year; in other words, $9,000 for each of the senators.

Unless my understanding of the act and the estimates is incorrect, the information that is being put to the House is inaccurate and is certainly misleading.

I do believe this is a very serious matter. I have problems with the $153 a day the senators are asking for for merely showing up for work, but that is a side issue as far as this debate is concerned. I think we have a real question as to whether or not the Senate, in preparing its estimates, is misleading the House of Commons and whether in fact the government has properly put the estimates before this House.

It is a matter that we should look at further, and I would request that the Speaker spend sometime looking at this whole matter.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, just in case I did not hear quite correctly, the estimates that come from the House of Commons or the Senate come through the mechanism specified in the Parliament of Canada Act. They are not government estimates. I think the suggestion was that all estimates might not be appropriate. Government estimates, I think, have a different origin and a different sense of responsibility for the government and for the Chamber. I simply wanted to make that point at this time in case there might be some confusion out in the general public.

Under the Parliament of Canada Act, estimates related to the Senate come through the conduit of the President of the Treasury Board, but the President of the Treasury Board is not at liberty to change them; they are simply conveyed according to the statute law.

Mr. Speaker: The point raised by the hon. member for Ontario is an important one. I thank the hon. member for his presentation. It was very clear and well thought out. I thank the hon. member for Calgary West for his point of clarification.

I do not think it would be appropriate, given the significance of the point, to proceed when the hon. member for Cape Breton—East Richmond has indicated on behalf of the Official Opposition that he would like sometime to consider this matter before argument was concluded.

I take it the hon. member for Churchill is supporting that position. The hon. member for Churchill has given me some indication of how he may pursue the argument at another time.

I think the request for an adjournment for the continuation of the argument in the coming week is appropriate. I am certainly going to accept that suggestion. I wonder if at some appropriate time later on this afternoon members might contact me to indicate when they would be prepared to proceed with the argument. I might say I do not think it is appropriate for a very long delay, but I certainly will co–operate.

ORAL QUESTION PERIOD

Mr. David Dingwall (Cape Breton—East Richmond): I rise on a different point of order, Mr. Speaker.

Earlier in the week I had raised with you and with other members in the Chamber the prospect of obtaining your guidance in terms of deliberations at Question Period.

We had a number of incidents today, although you were not in the chair, that made it obvious to members on this side of the House that perhaps the answers although not very forthcoming were a bit verbose and a bit long in responding to the succinct questions put by members of the Official Opposition.

I am wondering if there has been any reflection by yourself, other than what you had stated earlier in the week, to try to bring a little bit more cohesion and succinctness from the other side in responding to various questions that we pose. As you can appreciate, there are a number of members of Parliament on this side, who for whatever reasons, believe they have good questions, but because of the timeframe are not having an opportunity to proceed.

• (1220)

I am just wondering, now that the Government House Leader has entered the Chamber, if he would like to make a submission on my intervention, or whether you would like to share with us any further views you might have on this particular subject.

Mr. Speaker: Before the hon. House Leader intervenes, and I certainly will hear him, I think I should point out that, yes, the hon. member for Cape Breton—East Richmond raised this matter a few days ago. As he knows, I have contacted his office but we have not been able to have a discussion. I also made suggestions at that time that it might be a matter that should be discussed with members in the Chamber and then with myself.

I would like to hear from the hon. Government House Leader.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, let me say that having spent many, many years on that side of the House, I understand the frustrations of the newly appointed House leader of the Official Opposition in that each and every day there is a long list of people who desire to ask questions, quite understandably. Tough choices have to be made and it is frustrating if, in fact, that is unable to occur because time runs out.

I must say that from our perspective we have some frustrations as well in terms of Question Period. Very frequently, if not in the overwhelming majority of cases, questions become mini–speeches, with a number of accusations and suggestions made of impropriety, malice, incompetence, et cetera. It is not surprising that when these accusations are made by way of preamble, the recipient of those accusations, the accused, feels it necessary to give an adequate response so the record does not show an accusation not responded to. That is part of the nature of our adversarial system. It is the nature of our adversarial system that I felt for some time, and I say this in all honesty, even when I was on that side of the House.

I am not sure that we serve the public altogether well in that context because of how it appears to those in the galleries or those watching television. We have this interchange and then sometimes wonder out loud why it is that politicians are held in disrepute and disrespect, when it is a small wonder, given the kind of exchanges we too frequently have.

That being said, I am certainly more than prepared and anxious to engage in discussions with colleagues on the other side of the House to see if, in fact, we could not arrange some *ad hoc* rules, instructions, suggestions that we might put to the Chair in terms of how we might manage Question Period in a way that meets the understandable and appropriate desires of the opposition: to have the time and ability for their members to stand up and question members of the government on their respective responsibility, and to recognize the equally legitimate concerns, from the government's perspective, of the ability to defend oneself, if you will.

I do not know how these discussions might come out and I do not want to prejudge them. If it were to come out to a circumstance where the Chair received generalized instructions from both sides of the House to cut off those who abuse the preamble or the set-up to a question and, equally, to cut of those government ministers who respond with too much verbosity, frankly, I would not quarrel with that at all.

Let me repeat that I understand the frustration of the House Leader of the Official Opposition, and I am more than willing to engage in discussions to see if we cannot find some satisfactory resolution.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, on the same point of order, we are all, of course, moved with compassion for the concerns that the minister has for slights made against him during Question Period, but I have one or two brief points to add.

It is the New Democratic Party, and sometimes the Independents, who often feel the brunt of too much time being taken by others in Question Period. I just want to point out that concern. However, it is clearly everyone's responsibility to be as succinct as we can, both in questions and in answers, and I would like to contribute whatever my party can to the discussions which will achieve that.

I would also like to thank the Deputy Speaker, who today found the opportunity to give a fourth question to the New Democratic Party, and that sometimes gets us through Question Period satisfactorily. It is a difficult question but it is important for all of us to participate.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, on behalf of the non-cabinet members of my party, I would like to join in this discussion.

I heard the NDP spokesperson say that it was his party that suffered when preambles were long. Let me tell him that it is government members who frequently get no questions even though they represent the majority of members in this Chamber. If we could indeed come to some collective agreement that would enable us to shorten the preamble and shorten the responses, that would enable us to increase the number of questioners and questions asked in Question Period, that would be strongly supported by my members in the anticipation that they would have somewhat of an increased opportunity to participate in that process, as well. They would like it; they have a hunger for it; and brevity is the route to the solution. I am pleased to see so much accord, and I am sure our caucus would unanimously support that kind of a move.

Mr. Dingwall: Mr. Speaker, I will not be long in my intervention.

I guess we are talking, to a certain extent, with regard to the purposes of Question Period. Of course, the purpose of Question Period for the Official Opposition has always been to elicit information from government members. It is not to score cheap political points, as alluded to by the member opposite. He must be referring to some third party or independent members, but he certainly cannot attribute that to the Official Opposition.

I hope that as we proceed in the coming days and weeks, perhaps the Chair, through his able assistants, will be able to provide us with some statistical information about the timing of the questions and the timing of the responses. I think this will be helpful to any discussion that we might have.

However, I wish to point out to the Government House Leader that we are prepared to examine some of the suggestions that he has made. But I cannot let it be said by the chief government Whip that it has the largest body of members of Parliament who do not have an opportunity to ask questions. The purpose of Question

Period is to elicit information. Surely, government members can elicit information in their weekly caucuses. Caucus, which is the rock of democracy, can provide government members with the necessary information they need.

That argument does not hold much water. Nevertheless, we wish to proceed, but we would like to have those statistics that I have referred to.

Mr. Speaker: The hon. member for Calgary West, who probably cannot resist responding.

Mr. Hawkes: Mr. Speaker, we are negotiating on the floor of the Chamber. I would like to signal to the Liberal House leader that we would be glad to send some of our cabinet ministers to their caucus, provided that we could take the hour and spend it on Government Orders. We would be happy to make that change.

Mr. Speaker: As your Speaker, I want to express my appreciation for the assistance extended to me this morning in this brief discussion.

I want to say to the hon. member for Cape Breton—East Richmond that I spent a great deal of time in opposition, and of course I was always a model of decorum. Perhaps times have changed, but I have to confess to hon. members that there were times when I was on my feet knowing perfectly well what the information was; my object was more to point out that information on behalf of my constituents and in the public interest of my country.

• (1230)

However, I am very intrigued at the suggestion of the hon. member for Cape Breton—East Richmond that Question Period is to elicit information, and I think that we might be able to discuss that matter among all of the members.

I think perhaps it might be helpful if the initiative which has been taken by the hon. member for Cape Breton—East Richmond were to be pursued through perhaps an initial discussion with the House leaders, and perhaps others, on the question—which is a very, very sensible request—of statistics. I want to say to the hon. member that I believe that would be helpful. The Table will make that information available.

Quite frankly, I welcome the initiative taken by the hon. member for Cape Breton—East Richmond because, as hon. members know and as I remarked the other day, there is a lot of competition in this House now for questions. More, perhaps, than there ever has been, partly because there are more members but there are also other reasons.

We want to do what is in the public interest and we want to do what is right for all members of the House. I accept what the hon. member for Calgary West has pointed out, that there are a lot of private members on the government side who often feel that they do not have an adequate chance to put questions in Question Period.

Again I remind hon. members that those of us who spent quite a long time in opposition do have an understanding of the difficulties to which the hon. member for Cape Breton—East Richmond and others have alluded.

I want to thank the hon. members. I thank the hon. member for Cape Breton—Richmond and the others who have intervened. I would hope that an initial meeting could be held as soon as possible, and I certainly would be prepared to co–operate in every way to answer the needs of all the hon. members. I suppose it will not come as any surprise if I indicated that I, too, have some views as to how we could make Question Period more effective.

I thank the hon. members.

* * *

PETITIONS

CANADA POST

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, I rise today to present a petition with respect to post offices. It is a petition with over 300 signatories from Nova Scotia who are concerned that this government's attitude towards post offices is strictly profit–motivated. While this government has made well over $150 million in profits, it has continued to close post offices, both rural and urban. They are particularly concerned about one post office at 7183 Quinpool Road in Halifax.

The petitioners call upon this government to improve the service of Canada Post and to instruct the government to abandon its policy of closing rural post

offices and urban post office stations throughout this country.

CANADA POST

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, it gives me particular pleasure today, pursuant to Standing Order 36, to present this petition. It arrived at the right time, as we are celebrating International Women's Day.

The petitioners have the following to say: We believe that a great woman, Marie Sklodowska Curie, must be honoured for her scientific contributions to humanity. We believe that the gift of the discovery of radium to heal the sick of the world deserves to be recognized by Canada. We believe that she deserves to be recognized because this discovery of radium, for which she was twice awarded the Nobel Prize, has brought relief to millions of people around the world, including Canadians. She was the first woman to win a place in the history of science.

Therefore, the petitioners feel that this Polish woman, Marie Sklodowska Curie, who was a servant of humankind and has been honoured by so many different countries of the world, should be honoured by Canada. They call upon this House to issue a commemorative stamp on the occasion of the 125th anniversary of her birth, November 7, 1992.

GOODS AND SERVICES TAX

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I have the sense that the population out there is ongoing in its concern for the tax on books, magazines and literature. I had thought, after all these months of depositing these petitions, it would be the end.

Since I have come back after the break, I have, for your interest and for this House, the request that the historic principles embodied in the tax-free status for the printed word by retaining the zero rate in the GST legislation and regulations be reviewed once again so that magazines and books will no longer be taxed at the tax level that they are suffering because it is a very serious matter.

CANADIAN BROADCASTING CORPORATION

Hon. Herb Gray (Windsor West): Madam Speaker, the House will recall in December that I and other members tabled a number of petitions from people in the Windsor—Essex community which protested, in effect, the cutbacks of the government which closed down our only television station CBET.

Over 50,000 names were tabled at one time, having been gathered just over the space of a few days. We continue to receive these same kinds of petitions and I am very pleased, on behalf of the people of my community, to table a number of petitions which call upon Parliament to take all necessary measures to preserve local CBC television broadcasting in Windsor and in other areas, deprived of such service by Mulroney government cutbacks and by the decisions of CBC management.

GOODS AND SERVICES TAX

Hon. Herb Gray (Windsor West): Madam Speaker, the opposition to the GST continues. As evidence of this, I have a large number of petitions from people across the country who strongly oppose the goods and services tax on the grounds that the tax is an unprecedented tax grab from the pockets of Canadians and will hit them not only with higher interest rates, but with higher inflation, higher taxes and higher unemployment.

These petitions have been duly certified by the clerk and I am very pleased to present them to this House.

CANADA POST

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I am pleased to rise under the provisions of Standing Order 36 to present to the House today a petition signed by thousands of residents in the Halifax area.

These individuals are very concerned about the decision by Canada Post Corporation to close the postal facilities in Halifax. They are petitioning this government and call upon this Parliament to make improved service the highest priority of Canada Post Corporation, and also to instruct the government to abandon its policy of closing rural post offices and urban postal stations.

I submit this to the House at this time.

VIOLENCE AGAINST WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I rise on International Women's Day to present a petition that has been signed by Canadians, both women and men, from every region of this country.

The petition says that whereas violence against women in our society is a serious problem, whereas 14 women were brutally killed at the University of Montreal because they were women, and whereas our society must recognize the misogynist aspects of our society and never forget these kinds of action, they call upon this Parliament to declare December 6 a national day of remembrance in honour of those 14 young women who were massacred in Montreal, a national day of remembrance and action on the issues around violence against women.

• (1240)

CANADA POST

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, I rise today to present a petition on behalf of 191 residents from Halifax, Nova Scotia, who are opposing the closure of post offices. These residents feel that with a profit of over $149 million there is no reason for this government to continue destroying Canada Post as we know it.

The petitioners are calling on Parliament to instruct the government to stop this massive destruction of this very important facility that helps to unite Canadians and they would like to see the facility in particular at Halifax Main, at 713 Bedford Row in Halifax, remain open.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, it is my privilege today to rise pursuant to Standing Order 36 to present a petition that deals with postal issues in the Halifax area. Hundreds of petitioners suggest that with a profit of $149 million, Canada Post should not be cutting back service at the expense of Canadians.

The petitioners are particularly concerned about Canada Post's intention to close the postal facility at 1526 Dresden Row in Halifax, Nova Scotia, and call upon Parliament to instruct the government to make improved service the highest priority of Canada Post Corporation and to instruct the government to abandon the policy of closing rural post offices and urban postal stations.

GOODS AND SERVICES TAX

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I have a number of petitioners here today who continue to protest quite vigorously the implementation of the goods and services tax. These are Canadians from across the country who have joined together in a petition of several hundred names, suggesting that the goods and services tax is not appropriate for the Canadian economy at this time, that it will cause grave and serious hardship to small business across this country and will unduly affect middle-income Canadians, as well as those on fixed incomes across this country.

The petitioners call upon the Government of Canada that notwithstanding its implementation of this very regressive tax that it would reconsider its decision of months ago and do away with the goods and services tax.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Dave Worthy (Parliamentary Secretary to President of the Treasury Board): Madam Speaker, question No. 415 will be answered today.

[*Text*]

COST OF STRIKE

Question No. 415—**Mr. Fisher:**

During the 1989 strike by hospital service employees and ships' crews, what were (a) the total costs (b) the costs for (i) moving veterans (ii) catering (iii) additional security (iv) replacement workers?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): I am informed as follows:

Environment Canada:	a) $27,000		for the charter of a vessel to search for and recover a de-moored meteorological buoy in the Pacific Ocean
	$5,000		for overtime during off-hours
Fisheries and Oceans:	a) $74,227		for DND services
Health and Welfare Canada:	a) $21,393		
	b)	ii)	$364
		iv)	$21,029
National Defence	a) $89,450		
	b)	ii)	$1,000
		iv)	$40,000 for overtime paid to civilian employees
Public Works Canada:	a) $83,808		for ships' officers (additional costs)
Transport Canada:	a) $1,235,000		for the charter of tugs to assist navigation in the St. Lawrence River

Veterans Affairs Canada:	a) $7,763,582		
	b)	i)	$2,433
		ii)	$428,899
		iii)	$2,608,501
		iv)	$900,210

[*English*]

Madam Deputy Speaker: The question as enumerated by the parliamentary secretary has been answered.

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

Mr. Boudria: On a point of order, Madam Speaker, in relation to answers to written questions. I must bring a matter to the attention of the House and that is the fact that on February 25 the government answered question No. 411 on the Order Paper in my name. The only answer that the government provided was the fact that it had refused to answer the question.

I do not know of any provision under our rules that permit the government to refuse to answer an Order Paper question or to state as an answer that it is refusing to answer. Could I perhaps ask the Chair to look at this question.

It is a very simple question. I asked the Government of Canada how many golf club memberships had been purchased for the executives of the Canada Post Corporation. Those same people are shutting down the rural post offices in my riding. I want to know how much was spent and on whom in buying them golf club memberships. The government simply told me that it would only share this information with the employees in question.

I bring this to the attention of the House, on a point of order, and to your attention, Madam Speaker, hoping for your guidance. I would ask you to take it under advisement and to respond at an appropriate time.

Mr. Worthy: Madam Speaker, I am not in a position to deal with that particular question. I have no knowledge on it, but I will look into it with the appropriate people. The government should be in a position to respond to the hon. member at the earliest possible time.

Madam Deputy Speaker: I thank the hon. member for Cariboo—Chilcotin and the Chair as well will look into the situation.

Shall the remaining questions stand?

Some hon. members: Agreed.

Madam Deputy Speaker: Orders of the Day.

* * *

POINT OF ORDER

BUSINESS OF THE HOUSE

Mr. David Dingwall (Cape Breton—East Richmond): On a point of order, Madam Speaker. There has been some preliminary discussion, and I am not fully aware that my colleague to the left has been apprised, but we are presently debating Bill C-98, second reading, to be followed thereafter by the disposition, if you will, of Bill C-91, an act to amend the Financial Administration Act and other acts in consequence thereof.

There is agreement on this side to proceed with Bill C-91 at this time if, in fact, there is unanimous consent.

Mr. Len Taylor (The Battlefords—Meadow Lake): No to that suggestion, Madam Speaker.

Madam Deputy Speaker: I have heard that the hon. member is not giving consent, but I cannot see that consent is required at this time.

The government is allowed, after Question Period, to call whatever piece of legislation the government wishes to see in front of the House at this time.

Mr. George S. Baker (Gander—Grand Falls): On a point of order, Madam Speaker, I did not hear the government call Bill C-91.

Mr. Dingwall: I am just making a suggestion, Madam Speaker, that perhaps if the government decided to call

date back to Erskine May and includes Beauchesne that it can call Bill C–91.

Mr. Jim Hawkes (Calgary West): Madam Speaker, the Table was informed some time ago, as were all parties, that the first item of business after Question Period would be Bill C–91.

The normal practice is for the table officers to rise and announce that. It was interrupted with a point of order.

When the point of order is completed, I would anticipate that the table officers would rise and make that announcement.

GOVERNMENT ORDERS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

The House resumed from Tuesday, February 26, consideration of motion of Mr. Loiselle that Bill C–91, an act to amend the Financial Administration Act and other acts in consequence thereof, be read the third time and passed.

Madam Deputy Speaker: The House is ready for the question. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to, bill read the third time and passed.

* * *

FARM INCOME PROTECTION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C–98, an act authorizing agreements between the Government of Canada and the provinces to provide for protection for the income of producers of agricultural products and to enable the Government of Canada to take additional measures for that purpose, be read the second time and referred to the Standing Committee on Agriculture.

Madam Deputy Speaker: When debate stopped for Question Period at 11 a.m., the hon. member for Gander—Grand Falls had the floor. There are 15 minutes left in his speech.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, I will not use my entire time period. However, I would just like to make a couple of remarks regarding this legislation.

The legislation is, as the bill says, the Farm Income Protection Act. Perhaps, that should be changed to read: "Some farm income protection for some farmers act".

One would get the impression from looking at the title that the bill would cover all farmers in Canada and that there would be income protection for all of the farmers of Canada.

Such is not the case, unfortunately. I will read, just to put on the record, what the government says is in the legislation. It says the legislation provides for the Net Income Stabilization Account, called NISA; the Gross Revenue Insurance Program, called GRIP; the revenue insurance program, called RIP; and the crop insurance program, called CIP.

• (1250)

All of these things are incorporated into this bill to provide protection for farmers.

Really, in the bill for the year coming up, 1991–1992, the main component called GRIP will only grip the grain and oilseed farmers. Now how well, in my limited knowledge of the farming community, will it grip the farmers?

Some of the contributions to the program come from the federal government; it has contributed some 41 per cent. Where do the rest come from? Oh, they come from the farmers; 33 per cent. And then the provincial governments, if they so wish, will have to put up 25 per cent each.

So it is not such an all–encompassing program and the NISA section—and I am not saying there is anything wrong with it— all it really is, is that you can put money into a bank account to save for a rainy day.

As I read the legislation you can only withdraw—and as I say I have very limited knowledge of the farming community, that is those who produce grain and oilseed—if your income drops below $10,000 for the year.

The legislation before us today is really not what some people would have you believe it is; a safety net program for farmers. It is not a safety net program for farmers. There is nothing wrong with the legislation, as I said before. It goes further, I suppose, than legislation has in the past because this is really a consolidation of all of those income support programs that were in existence in the federal and provincial laws in some of the western Canadian provinces. However, it is certainly not the all-encompassing program that it was made out to be by the Government of Canada.

That brings me back to the principle of the legislation because that is what we are debating today, the principle of the legislation, the principle of guaranteeing an income to a farmer, or guaranteeing an income to a primary producer.

It should be made clear and put on the record that to guarantee an income to a primary producer, apart from our social welfare safety net, is perhaps more important in economic terms than guaranteeing the income of perhaps any other group of people in our society.

I say that because economically speaking on the balance sheet, it helps our balance of payments. It helps the respect for our dollar on the international money market if we are exporting products from this country. In fact, we could not survive if we did not have something in the books that said our dollars were being used in exchange on the international money market.

I realize there are various ways that you can have a healthy financial situation *vis-à-vis* the United States or any other nation in the world on your balance of payments. You could be exporting tourism. That is true. Americans could come into Canada and spend dollars here, and that is an export on your financial ledger when you judge the value of that commodity in a country like Canada. You could have investment from foreign nations. That is another help on your balance of payments, because dollars are being spent here and foreign money is being exchanged for Canadian products. The export commodities of our primary producers, of our farmers, loggers, miners and fishermen and other primary producers in our society are perhaps more important than any of the other commodities, because when you talk about farming or fishing, you are talking about food. You are talking about food, which is indispensable.

You cannot judge in economic terms, the value of a computer chip versus food. There is just no comparison in real terms. There might be in the mind of an accountant or an economist. Certainly, in reality, we should be paying more attention to our primary producers in this country.

I make the point: Why not have guaranteed income programs for all of our primary producers in this country? Why not have a guaranteed income or a stablizing of income for our loggers in this country and for those people who work in our paper mills? Why not have a guaranteed income for our fishermen and our fish plant workers? Why set them adrift? There is not one income support program in existence in the Statutes of Canada. There is not one legislative measure that was ever brought in to give income support to our primary producers in the fishing industry or in the logging industry. Not one.

Members could point toward the prices support boards we have. But that is after the fact. That is much after the fact, after the individual has either been driven into bankruptcy or has sold off all of his possessions because of the nature of the work.

These professions are at the mercy of weather conditions and international markets. That is why they need the support of the Government of Canada.

I would say, as I mentioned before, the intent and the principle of the legislation is good. But I do not think it measures up to what a real farm income protection act should be. Perhaps the Government of Canada can build on this and perhaps it can come up with an act that will not be dependent upon how much money a farmer has or whether a provincial government decides to cost share on this particular program.

Mr. Ken Hughes (Macleod): Madam Speaker, I thank the hon. member for what clearly was a remarkable degree of knowledge on a bill relating to an area on which I know he would have had to do a great deal of research to understand. It would not come to him naturally because only a few of his constituents would be involved in this sort of business.

An hon. member: Particularly the primary ones.

Mr. Hughes: Particularly the primary producers. I know that he has demonstrated some knowledge of primary producers, at least, in the broader definition.

Perhaps, the hon. member could elaborate just a touch more on what he sees as being the real farm protection act he thinks this government should bring forward.

Mr. Baker: Madam Speaker, I must admit that my knowledge is a bit limited as far as the books of some of our farmers are concerned because I have not really dealt with them on a personal basis as constituents.

• (1300)

I can assure the hon. gentleman that without those farmers we are talking about today, we in Newfoundland would not be able to have our porridge every morning and our cream of wheat—the most nutritious foods that we can eat—and even our corn flakes and so on.

To get right to the point, what income support program do I visualize should be in place for farmers, fishermen, loggers, and other primary producers? I think it should be done this way, Madam Speaker. Just let me give you the illustration. All support programs, guaranteed income schemes that have been talked about, talk about giving money at the end of a financial year. They talk about giving money at the end of a season.

It can be seen in our social welfare legislation with the child tax credit. The government has tried to change it a bit by giving an advance. I realize that, but a true income support program would mean that a farmer, a fisherman, or a logger, to me the way it should operate, would be able to draw on a fund, compliments of the taxpayers of all of Canada, when he needs the money.

In other words, it does not mean that he will be to able to draw on the fund on March 31, if the financial year ends at that time, or December 31, if it ends then. He should not have to wait until that period is up.

The hon. gentleman asked me what I visualize as an income support program. The programs that are being devised are just bail-out programs, and hopefully the producer is not into bankruptcy by the time he is bailed out. There should be a system—and it deals with philosophy—that if you believe your primary producer is of the utmost importance to the economy and the people of Canada, then it is quite easy to devise a system which says that his income will be stabilized.

In other words, when he hits the point where he is getting absolutely no income and does not know if he is going to get any income, that is when he should be given the money. That is when he should be able to draw on that income.

What do we have in Canada today? Sitting right across from me is the chairman of the fisheries committee who can testify to us here today that he has argued and complained for years that fishermen have absolutely no income after the month of May, when there could be ice on his territory. He makes the argument—and other members have also made it—that an income support program would deliver the money when the primary producer needs it to put food on the table.

We appear to have the philosophy in this country that the primary producers are all right because they grow food; they have loads of food in the cellar so they really do not need any money; and that the fisherman has fish in the deep freeze, he can go out and shoot a moose every now and then, so he does not need any income. These people are like everybody else. They have children going to school, children going to university. These are real people who need income at certain moments of the month, not of the year.

I bet I could draw up the ideal income support program in a couple of days, at least the general principle of it. All we have to do is believe that we really need it in Canada today, and we do.

Mr. Jim Peterson (Willowdale): Madam Speaker, I was wondering if the member for Gander—Grand Falls would care to comment on whether the philosophy of this particular bill can be reconciled with Canada's concepts of supply management as it concurs with the GATT or otherwise, and as it relates to the devastation wreaked upon the Canadian food processing industry by the Canada-U.S. Free Trade Agreement.

Mr. Baker: No, Madam Speaker.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I want to start by complimenting the member for Gander—Grand Falls on his eloquent presentation today on Bill C-98.

I guess there are not quite as many farmers in Gander—Grand Falls as there are in Glengarry—Prescott—Russell. Glengarry—Prescott—Russell has a large number of dairy farmers, as the Secretary of State will likely know. He drives through my constituency going back and forth to his own riding in Montreal. By the way, I hope he stops often and spends a lot of money my riding. The economy sure needs it. All the ministers who drive through my riding are invited to spend some of the hard-earned tax dollars they receive for doing their job. As I said, my constituents would benefit greatly.

I also should say that the minister is welcome to my constituency, even if it is not to spend hard-earned tax dollars. We would always be pleased to receive him, and I say that sincerely.

The bill that we have before us is one to establish the GRIP and NISA programs. The constituency I represent, as I indicated previously, has no less than 1,000 dairy farmers, in addition to others in cash crops and other areas of endeavour in food production.

[*Translation*]

The past few years have not been easy for Canadian farm producers, Madam Speaker. They saw their incomes fall in a very drastic and serious fashion. At any rate, those who are not involved in supply management were hit even harder because of a major reduction in food prices. Prince Edward Island potato producers had to deal with special problems in addition to the common natural disasters such as drought which all other farm producers had to contend with.

[*English*]

I see that as I am making these brief remarks my distinguished colleague from Prince Edward Island is seated immediately beside me. She brought forward very eloquently in the House this morning the problems suffered by Prince Edward Island potato producers. In this particular case, the problems are twofold. First, the prices have not been all that great. The sad reality is that is almost not new for potato producers. It is something they have had to deal with for some time. In addition, there is the infestation of their crops that they have had to deal with. That again will take its toll on those particular producers. I want to take this opportunity to compliment her for her usual quite forthright and apropos remarks in assisting the producers in her part of the country.

At the same time, she also speaks of producers from my own riding, perhaps not knowingly. I do have a number of potato producers in Glengarry—Prescott—Russell as well. In one community named Pendleton, Ontario potatoes are still grown. There is only a handful of producers now, but only a few years ago there were several more. There has been consolidations and in some cases farms have been transferred to other crops, again for the reason that the price of potatoes was not all that good in our area.

Coming back to the bill at hand, I would like to speak first in favour of the legislation.

[*Translation*]

Madam Speaker, this is a two part program. At first, we could deal with the support part designated as the GRIP in English and the CSRN in French.

• (1310)

The purpose of this program is to provide a crop insurance plan, an insurance plan that will cover most if not all products, once agreements have been concluded with the provinces and the groups representing our farmers.

What we are discussing today is the framework of the bill, not the whole program, because there will be negotiations with the provinces and producers on the specific programs, the premiums for each product, and so forth. On the whole, however, on the basis of the information we have today, I believe this initiative deserves the support of this House, Mr. Speaker.

Some of the merits of this bill include the fact that, unlike other crop insurance programs, under the NISA program it will no longer be necessary to sell the grain in order to be eligible for insurance payments. This is a matter often raised in our area, because farm producers who grow their own feed grain are often unable to collect stabilization or other payments, because they don't sell the grain since it is consumed on the farm. This was a very serious problem under the previous stabilization programs.

I am glad to see, that according to what we have been told, the problem will no longer exist under Bill C-98. In other words, feed grains used on the farm will be eligible under the Agricultural Stabilization Program on the

same basis as grains sold on the market. It was high time this kind of coverage was available.

Mr. Speaker, there are still concerns, however, and I must say we wonder how some provinces will be able to pay their share of the premiums. For instance, a grain producing province like Saskatchewan might easily have to pay provincial premiums totalling as much as 400, 500 or 600 million dollars annually. Anyone familiar with the economy of Saskatchewan can see that would create a very serious problem for the provincial treasury. So there are some potential problems.

Another problem is timing, Mr. Speaker. I must say that introducing a bill of this kind at a time when the plan is expected to go into deficit is a problem in itself. The answer is of course that if all were well in the agricultural sector, we might not need these programs so none would be introduced. Unfortunately, there is some truth in that. If we set up a stabilization program when times are good, automatically, funds will be deposited in the plan that will stay there, to be used during the lean years. The trouble is that when we start a program of this kind during the lean years, then either we have a plan that goes into deficit from the word go, or otherwise, we have premiums that are far too high because we are right in the middle of those lean years.

I realize it is rather difficult to get around this problem, and there are people who suggest waiting until things improve before setting up a program of this kind. However, that line of reasoning would be pretty hard to sell, and I don't intend to try, but my point was that we do have this problem right now, when we are about to start up these programs.

[*English*]

The government is telling us of the tremendous contribution that it is making to agriculture generally. I know that you, Mr. Speaker, being the non-partisan person that you are, know far better than that, because the Speaker is a totally objective person and is able to see through the kind of government rhetoric that some of us are subjected to from time to time.

The government has cut some $1.8 billion of expenditures and funding toward agricultural support programs during 1987 and 1988: $1.1 billion in 1987 and approximately $850 million in 1988. We cannot believe everything that the government says, and I know, Mr. Speaker, that you are so objective that you have already detected that in your non-partisan position in the chair where you now sit.

The government has included certain sums in this year's budget, but you will obviously recognize that agriculture is still at a net loss, if you calculate the amount that was put in this year's budget and subtract that from the cutbacks of the previous years. You can see that all is not well in the area of agriculture in terms of the help that it is getting from the federal government.

We have just finished talking briefly about GRIP. The other one is the NISA program. That particular program is not nearly as universally acclaimed as the first one that I have just described. As a matter of fact, I had occasion lately to travel to different parts of the country as part of the famous Liberal task force on the economy. I am sure you have heard of it, Mr. Speaker, because it did such excellent work throughout Canada. This Liberal task force heard representations from various groups.

[*Translation*]

On of these briefs was presented to us by Quebec farmers. And they argued that as far as they were concerned, the NISA program, RARB in French, was nothing more that a Registered Retirement Savings Plan for higher income farmers. Such was the view expressed by a few farmers group. While I do not agree entirely with them, I do think that we should listen to their gievances and complains because it is obvious that farmers want fair programs which will be sufficiently supported to serve the needs of the Canadian population.

In any case, during the hearings held by the liberal caucus task force, a few weeks ago, in Montréal and in Quebec City, farming groups of that province aired negative criticisms about the NISA program while commending the other program, the CSRN or the GRIP as it is better known in English.

[*English*]

A number of Canadians have spoken in favour of this general program. Again I state that it is a general program. It is an outline, if you wish, because there are specific agreements that have to be signed in the future.

I will describe what has been said in a few newspapers, just to give you an example of the fact that the agricultural community is certainly not looking at this in a negative way. It is looking at it in very much a positive light, hoping that this will work out.

• (1320)

For instance, in a *Globe and Mail* article of January 26, entitled "Farmers' new safety net will offer much-needed security", the following is stated:

> Western Canadian grain farmers have been looking for five years for an income stabilization program that did not depend on Grant Devine's electoral needs.

That is a very apropos remark because too often we have seen programs in the past really geared to the urgent political necessity rather than the urgent farm income situation. This program, of course, if it develops the way we are all hoping it will, will not have Grant Devine's electoral needs as the system by which pay-outs are made.

The Winnipeg *Free Press* carries this headline: "Income protection for farmers is patently unfair." It states the following:

> —the political debate has centred exclusively on GRIP. One argument is whether farmers' 33 per cent share of the premium is too much. Another hinges on the insured price based on a 15-year rolling average that some say will mean the guaranteed price will collapse once the high price years of the late 1970s are out of the formula.

That gets back to the point that I raised a little while ago about starting a program in difficult times, as opposed to starting it in times when things are better. Others say GRIP amounts to major off-loading of support for agriculture from the federal to the provincial governments. There is some merit to that argument as well, because in some cases the federal government has attempted in the past to shift a burden of responsibility on the provinces.

Under crop insurance and certain other stabilization programs, there has been both federal and provincial contributions. So to that extent, certainly in my own province of Ontario, the situation is different than perhaps it is in other regions of the country.

I would just read another comment which I think should be brought to your attention, and it is with respect to banking institutions. This particular article is entitled "Royal Bank Likes Program". It is from the *Western Producer* of February 14. It quotes the chief executive officer of the Royal Bank, Allan Taylor, as saying:

> The worry that the bank would grab hold of this, grab all the money for the debt, and leave nothing else so it becomes a wonderful thing for lenders and not so good for the farmers, that wouldn't happen I don't think, because—we've got to try and keep the farmers on the farm.

A number of us think that perhaps there should be legislation, to ensure that in fact that happens. However, perhaps we should consider having legislation to ensure that the banks do not grab hold of everything. Second, any kind of a good insurance program that will bring stability to the agricultural system, is bound to assist in alleviating some of the difficulties in obtaining farm financing that are encountered right now. I say to you that is of equal concern as any of the other issues in terms of obtaining financing for the continuing operation of farms. Anything that would bring that stability would be tremendously welcome, and perhaps this would.

In conclusion, then, I want to reiterate my support for the general outline that is announced in this bill, and hope that the specifics of the program as they develop in the future will be such that the optimism that we have today will be realized.

Perhaps some of that is a little bit Utopian, but nevertheless, because with the way things are in agriculture we have to give some benefit of the doubt right now and hope that things will improve very soon.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I would like to say, before I begin my remarks today, that I would like to split my 20-minute time with the member for Essex—Windsor. I will speak for 10 minutes and then accept five minutes of questions. So will the member for Essex—Windsor, if that meets with your approval.

The Acting Speaker (Mr. Hughes): Of course, the Speaker is in the hands of the House. I believe that there is general agreement.

Mr. Taylor: Mr. Speaker, I am pleased today and speak on Bill C-98, the legislation which provides authority to the federal government to enter into negotiations with the provinces and reach an agreement with agriculture support programs.

The programs, GRIP and NISA, the Gross Revenue Insurance Program and the Net Income Stabilization Account are becoming well known throughout the farm

community and come at a time when a long-term income stability program is desperately needed.

The farm income forecasts for 1991 are not very positive. In fact, Statistics Canada reported in the last week of February that the Manitoba and Saskatchewan economies will fare the worst of all provincial economies in 1991 because of the recession and low grain prices.

In Saskatchewan, information meetings on the new support programs, GRIP and NISA, are well attended as producers are anxious to get information that might give them hope of improved income and some stability in the industry in the future.

A long-term income stability program is necessary when governments control products and price, but not inputs and expenses. Problems develop, and it is important to find solutions to those problems.

The agriculture debt across Canada is more than $22 billion, and the price paid to farmers for grains and oilseeds is inadequate to meet production and financing costs. Obviously, something has to happen. If the marketplace is not able to provide an adequate price, then the federal government has an obligation to sustain Canada's food industry until the price is adequate unless we, as a nation, are prepared to lose that industry. Then, we have no choice.

The ability of Canadian farmers to compete internationally is beyond their individual control. We are well aware that the price paid for farm products and the amount sold is determined away from the farm gate.

The only control a farmer has is over the inputs, not the price but the amount he puts into his operation. The costs of those inputs, of course, are determined by the marketplace and are certainly much higher than the income available to the producer to pay for them.

Competing against other governments is absolutely out of the individual's control. Take the U.S. Export Enhancement Program as an example. The *Western Producer* in late February reported that the United States recently sold a bushel of feed wheat to a Norwegian fish farm for $1.50.

The subsidization on that sale was a contribution from the United States taxpayer of $1.42. The United States sold 917,000 bushels with this $1.42 subsidy on a $1.50 selling price, further contributing to the decreasing price for feed grain.

That deal was outrageous and disastrous for producers around the world, including those in the United States. It guarantees the price for grain will stay down. The only real winners in that deal were the fish on the Norwegian farm that were getting that soft winter red wheat for feed.

The losers, in addition to Canada and U.S. producers are the U.S. taxpayers whose money is feeding those Norwegian fish. The Saskatchewan farmer obviously cannot compete against this kind of nonsense no matter how hard he or she works.

The legislation in front of us today starts to address Canada's internal problems in the face of these international problems. It recognizes that financial support is necessary and commits federal participation in the process.

There are problems, some of which I will address in a moment but because there are problems, I want to urge the government to take a long, hard look at these programs when the legislation goes to committee for study and be prepared to make changes. Changes are important because these programs are designed to stay in place for a long period of time. The farm sector and the people who survive on the farm depend on the success of these programs for their future viability.

• (1330)

Producers, particularly grain producers on the prairies, know that GRIP and NISA become the only support they have, they want only the best that can be designed. If, for any reason, GRIP and NISA are not the best that they can be, we may be dooming an entire generation of farmers.

Unfortunately, one generation of farmers has almost already been sacrificed. There are very few young farmers on the prairies and that represents a problem in itself but a problem that will have to be addressed on another day.

Last week I was visiting a number of farm families south of the Battlefords and we discussed GRIP and NISA at some length. There were a number of opinions within each family. The government would be well advised to consider some of their thoughts.

The huge debt loads on these farm families and their concern for the future would likely be shared by most in their situation. How they look at the future depends on their age. Older farmers, especially those who have survived recessions and droughts, are skeptical about the new GRIP initiative because they see the moving average, this 15-year term, as simply a guarantee that the prices will remain low. Many are not considering signing up for the program, but rather hope to see a continuation of deficiency payments until prices rise on their own sufficiently to cover the production costs on the farm.

Younger farmers are more likely to accept the GRIP program because they are so desperate for cash that any program that will get them through one more bad year can't be all bad. They are more concerned about the immediate than the future. I am somewhat surprised at that basic response from the younger farmers, who tell me that they are prepared to sign on to the GRIP program for the first few years when the financial return is expected to be high, but are likely to drop out after a year or two when the return is predicted to be much lower.

If GRIP is to be at all successful, this callous approach must be addressed and the problem corrected, because the entire program will collapse with a huge deficit and little ongoing on-farm support if participation of the young farmers is not maintained.

This is just one of the matters that the House of Commons Standing Committee on Agriculture will have to look at when it gets this legislation to study next week.

There is also the question of whether the program will cause farmers to plant more acres of wheat in a year when prices are at rock bottom and when wheat is needed the least. The question was raised in late February by analysts with Ag Decision, a research group, which says that GRIP will dramatically change the way farmers will operate, and may influence the type of crops grown and the amount of land seeded. The analysts report they had expected a decrease of about 8 per cent in wheat acreage in 1991-92 but now expect it to increase by about 3 per cent. That concerns me because of my personal concern for the environment and the unfortunate but at this time necessary use of marginal land for crop production in the northern part of Saskatchewan.

I am also concerned with the process which is bringing us GRIP and changing the face of agriculture support payments forever. The legislation in front of us today is enabling legislation. It is not the GRIP or the NISA programs, the details both of which are contained not in this legislation but in agreements which have yet to be signed by a number of the provinces, and in regulations which we may not see yet for another few months.

Details of the program are being sold to farmers across the west and are available, but not the fine print. We do not know if the programs will work; we do not know what they will cost, and we do not know if they indeed answer the problems that face us in the long term.

The federal government, using its marketplace-oriented master plan, outlined in its paper *Growing Together*, initiated the discussions and they consulted widely with the farm and industry groups.

However, Bill C-98 and the programs it established is scheduled to go into effect on April 1, less than three weeks away. Agreements are being signed with the provinces, farmers are being signed up, and Parliament has yet to give the authority to even enter into these negotiations. I fear the mistakes of the past are being repeated and that GRIP and NISA may turn out simply to be four letter versions of the GST, programs that are flawed and faulty but cannot be changed because the government has committed too much to them before the final assessment is in. GRIP in many ways parallels the New Democrats agriculture policy unveiled during the 1988 federal election campaign. We recognized then the need for a long-term stabilization policy that would protect farmers against losses caused by price declines of any kind and natural disasters which can strike farmers individually or collectively at any time.

In developing our policy, however, we differed from the government's current program in that we thought then and still do today that support for farmers should be based on cost of production and not on a 15-year moving average.

Our program would provide basic price guarantees for part of each year's sales that are consumed domestically or about 8,000 bushels.

I think the idea of a long-term income stabilization plan is good and that these programs are necessary. I only hope that the government is prepared to make the

necessary changes before April 1, changes that will secure, not deter, the future of farming in Canada.

Mr. Steven W. Langdon (Essex—Windsor): It is an unusual pleasure I have to say, Madam Speaker, to stand and offer some compliments to this government. I must say it is with some hesitation that I do so but in this case it has set up a process involving farmers across the country, which will permit those farmers to pull together some long-term responses to the continuing cost pressures and price pressures which farmers have been facing.

I have had a chance to talk with farmers in my constituency at a series of community meetings about both the programs on which we now have some detail, GRIP and NISA. I have to say that most farmers in my constituency do recognize that this is an important step forward.

They have some concerns, however, and so what I will be presenting in my brief comments today is their sense of acceptance of an approach combined with their sense of concern about some of the details of that approach. I hope very much as we support this legislation to go to the agricultural committee, it will be possible within that committee to deal with some of the inadequacies in the legislation as it now stands and the inadequacies in the proposals which, as my colleague has noted, are not actually in the legislation but in the details which have been provided to us up to this stage.

The two key programs on which we have some detail are first, GRIP, the Gross Revenue Insurance Program, which for eastern farmers is something slightly different in its implications than for western farmers. For western farmers this, of course, replaces the Western Grain Stabilization Act. For eastern farmers it replaces crop insurance programs which have been much more of a patchwork quilt than in the case of the farmers in the western part of Canada. One of the things which I am pleased about with the legislation is that we finally do have something of a common approach being taken to farm problems across the country. Certainly we in our part of Canada have felt considerable grievance at the fact that much agricultural policy, especially coming from this government, has tended to be aimed at western farmers, not recognizing that farmers from Ontario and, indeed, farmers from Quebec have faced many of the same problems.

• (1340)

With respect to eastern Canada, the crops which will be covered by GRIP are corn, soybeans, canola, oats, barley and winter and spring wheat. For our particular part of Ontario in Essex County, this is a reasonably good selection of crops. The inclusion of soybeans, for instance, of which I had some concerns is an important step forward on the part of the government.

There are, however, for my particular part of Canada some crops which are missing. We look particularly for the specialized vegetable crops. We look indeed for the less spcialized vegetable crops like tomatoes, which are very important right across Essex County. We do not see them covered by this legislation and, frankly, that is unfortunate.

The legislation has some other problems associated with it which I want to stress as the debate moves on to the agriculture committee. We have considerable concern about the decision to base support on a 15-year moving average of prices. Most farmers whom that I have talked to have said to me: "When we look at how these averages will work out over the next few years, this is a program which makes a great deal of sense for us for the first two or three years, but makes much less sense for the future". Many farmers talk quite openly, as my colleague noted, about the probability that they would enter the program and then leave it after two or three years. That is not the basis of a satisfactory program.

For ourselves, we would like to see this 15-year moving price average replaced by a cost of production formula which would give to farmers some sense of security, one where the cost of production is taken on an average basis across farmers so that you are not covering the least efficient farmers with their complete cost of production, but instead trying to encourage efficiency but nevertheless recognizing that it is the difference between cost of production and price which is the crucial issue. Our farmers are very concerned to see that take place.

We are also very anxious to see an emphasis in the resulting legislation which recognizes the importance of providing support for fallow crops, crops which help to

regenerate the capacity of the soil, if we are to move to a sustainable agriculture for the future. We need a program like this to support not just these common cash crops which are grown in Essex County but also crops such as beans, for instance, which help to regenerate the soil and provide the basis for future sustainability in our agricultural activities.

We are also concerned about the reality, as it appears so far that there will be different levels of support provided to farmers in different parts of the country. Ontario, for instance, under the new NDP government, has committed itself to a 90 per cent coverage, whereas other provinces have said that they believe they will not be able to cover more than 70 per cent.

I think that this kind of differential is not going to be something that will make this a long-term solution to our agricultural problems in the country. So, I look for that to be corrected in the future.

Finally, I think that while this step is important in solving some of the long-term problems which farmers face in this country, there is a short-term problem, a short-term cash crisis which farmers face which also must be covered.

Farmers in my community have called for a bridge payment to help producers seed their crops this spring. I call on the government to see to it that this Farm Protection Act provides such a filling of the gap for farmers across this country because, frankly, if we do not respond now to the concerns of family farmers across Canada, we will not have a viable family farm sector to deal with in the future. That is what we, as a country, I think, have found to be very successful in the past for us in farming and will find to be very successful in the future if we provide the support that is necessary.

Madam Deputy Speaker: On a point of order, the hon. member for Hamilton West.

Mr. Keyes: Madam Speaker, I seek unanimous consent of the House to move the following motion:

That notwithstanding any Standing Order, on Monday, March 11, the House meet at one o'clock and proceed to business of supply.

Mr. Cardiff: Madam Speaker, as long as we have the knowledge that this bill is going to be completed at this present time, we would give our consent to that motion, but only if assurance is given.

Mr. Langdon: Madam Speaker, certainly from our perspective, we would agree with the suggestion made by the Official Opposition and we would certainly be prepared to indicate that we have no more speakers on this bill, unless the Liberals do. I assume, therefore, the assurances can be given.

Mr. Dingwall: Madam Speaker, with regard to the comment raised by my colleague opposite, we have no more speakers at this time on Bill C-98 on second reading. I know the member would not want to mislead the House in thinking that the bill would be passed in all stages today, but we would be happy to accommodate in passing this bill on second reading today.

Of course, if you concur with the motion as put by my colleague, opposition day would start at one o'clock on Monday since there is no Private Members' hour on that particular day.

Mr. Cardiff: Madam Speaker, with that assurance, we would give our concurrence to the motion. Certainly, we did not expect all stages of the bill to be passed today, only second reading.

Motion agreed to

[*Translation*]

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Agreed.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Agriculture.

• (1350)

[*English*]

SUSPENSION OF SITTING

Madam Deputy Speaker: Is there unanimous consent of the House to call it two o'clock?

Some hon. members: Agreed.

Madam Deputy Speaker: The House will suspend for five minutes.

The sitting of the House was suspended at 1:51 p.m.

Private Members' Business

SITTING RESUMED

The House resumed at 1.58 p.m.

PRIVATE MEMBERS' BUSINESS

[*English*]

EMPLOYMENT

FEDERALLY FUNDED TRAINING PROGRAMS

Mr. Steven W. Langdon (Essex—Windsor) moved:

That, in the opinion of this House, the government should consider the advisability of requiring that employers who benefit from federally-funded training programs provide long-term employment to trainees.

He said: Madam Speaker, it is particularly fortuitous that this piece of private members' legislation should be coming before the House on the day that the latest unemployment statistics for the country have been released.

These unemployment statistics represent, I would have to say, a serious shock since they have taken unemployment to a level of 10.2 per cent in the country, a level which is the highest we have seen in Canada since 1985. Perhaps what is most disturbing is that when one looks at these unemployment statistics, some of the details are particularly difficult, particularly hard to accept.

One sees, for instance, that the loss in permanent jobs has been especially dramatic. Comparing the figures for February of last year with the figures for February of this year which have just come out, there is a total job loss of 420,000 permanent jobs. That is a staggering figure. It is a statistic, but of course it represents hundreds of thousands of people across this country and hundreds of thousands of families who have seen their prospects which they thought were secure for themselves and their children destroyed in the past year.

We have talked, in the course of the New Democratic economic recovery tour that has been going across the country, with a number of groups in many different cities in the country. I recall one statement especially, which struck home in a very powerful way. It was a statement from somebody in Cambridge, Ontario who said to me that in the 1981-1982 recession when a lot of people were out of work it was nevertheless the case that their factories remained. Those factories, people expected, would eventually get back to work and the jobs that had been lost would return.

What has happened in this recession—and it is this which is so tragic—is that people see the factories in which they have worked, the shops in which they have worked, the companies for which they have worked, in very many cases closing up. We have a bankruptcy rate which is even greater than in 1981-1982. We have a great many companies shifting out of the country as a result of the United States free trade deal, moving activities to the United States.

There are other companies that are making decisions to shift to Mexico, to the Maquiladora section of northern Mexico, where they feel they will be able to serve the American market, and eventually if free trade with Mexico goes through the Canadian market, from that extremely low wage part of North America. The jobs have not just disappeared for a time as these people see it, but the jobs have disappeared as they see it permanently. There sense of despair, a sense of tremendous frustration and a sense of tremendous anger which we have heard as a consequence.

I hope that this transfer of plants to the United States, this transfer of economic activity south, is not something which will have permanently eliminated the jobs that have been lost. I believe that there are things that we could be doing as a country to get these jobs back and to stop more jobs from disappearing.

Unfortunately the recent government budget does not seem to have reflected some of those changes which in my view were necessary. One such change, it seems to me, has to be in the area of training.

I believe we have to adopt a philosophy to move this country ahead through what I would call investment in the future. That can include a vast number of things. It can include investment in research and development, investment in the basic education system of the country, and investment in the infrastructure.

It must, I believe above all, involve investment in skill training for the future, Our capacity to be successful as an economy down the road depends very much on having the skilled people to be able to work in what one might call a high value added society. That is a society where we are not producing basic, easily produced commodities which lead us inevitably into competition with Third World countries, but which leads us into new product areas, into new and sophisticated production techniques

by which we are able to produce products with particularly highly technical specifications and particular specialized uses throughout the world economy.

To achieve that, we must have the skilled work force to be able to run the machines, to work on the shop floor, and to work in the office buildings throughout this country which give us the vast increases in productivity and human capital essential to a country if it is to survive successfully in the 21st century in the face of competition from many low wage countries that can increasingly and quite rightly compete with us in the traditional areas of activity in which we are engaged in our manufacturing sectors.

How do we succeed in building that emphasis on training for the future? I think that we have first to recognize that in this country the situation seems to be one in which the support for training programs is not increasing but rather decreasing. If we take the period from 1985 to 1991 and the Canada Jobs Strategy, for instance, the funds which were provided for training through CJS started with a total of $1.4 billion allocated in 1985.

Less than $1 billion of that, actually, is for training. Some of it is for other programs as well. That increased in 1986–87 and was increased in 1990. It was then decreased in 1991. As of 1991 the total amount available to CJS is $1.4 billion, precisely the same amount as in 1985, despite the much greater cost of training in 1991 compared to 1985.

• (1410)

We have seen some increases take place through the unemployment insurance system, but really it is extremely difficult to see a sufficient increase in any way to offset the increased costs which exist for training programs and which are not being covered by increased expenditures.

I do not want to pretend that the way to solve these problems is simply to spend more money. That has been part of the problem of the past. It has often been the view of especially the Liberal Party when it was in government that simply increasing expenditure was somehow the way to solve the problem. I think that it does make the situation considerably more difficult when training functions are being squeezed for resources at a time when we desperately need more training to be taking place in the country.

Nevertheless, the key things that we believe need to be done threefold. First, we think it is extremely important that large scale corporations in the country start to recognize that they have a responsibility to undertake training. What we find in my constituency, for instance, is that most of the training, most of the serious apprenticeship programs which exist throughout the Windsor and Essex county area, are undertaken by the medium and small scale firms. Once people are trained, the large scale companies will then steal these people away at much higher wages and manage to fulfil their need for skilled workers without ever having to put into place training programs designed to increase the pool of such skilled workers.

We suggested a number of different approaches to try to deal with this problem. We suggested, for instance, that it would make a good deal of sense to have a training levy for all companies over a certain size within our economy. It would be possible for any such company to use up the money which it would otherwise owe the government in that training levy by undertaking training programs itself. If it did so, it would not have to pay the training levy.

In fact, if it over-expended, if it spent more than the training levy amount, it would be possible for such companies to receive government support for their training programs coming from the payment of those training levies on the part of companies that do not undertake such training.

In other words, we have some kind of a redistribution process within the company sector that sees to it that companies that take their training responsibilities seriously receive incentives and support to do so. That is one thing that we should set in place.

A second thing that we should set in place is a recognition that effective training is going to have to be training on the job. In part a training levy approach would encourage that, but I think we also need to say to provincial governments throughout this country that we are prepared as a federal level of government to provide support to the provinces for training activities but those

training activities, undertaken for instance through various community colleges, must involve a very serious element of on the job training.

In the case of community colleges in Ontario, I would hope very much that a co-operative arrangement could be worked out through the new Ontario government and the federal government so that more money would be provided for training and that those community colleges and the training programs supported by the provincial and federal governments would commit themselves to see to it that at least half the period of the training program was spent on the job. That would give people graduating from those programs a sense of experience and, frankly, it would give them considerably better training.

Finally, I think that it is also useful to put into effect regulations through the federal and provincial training programs which I hope will become increasingly important in the future. Companies that benefit from having people working on the job or are supported through a training levy system should make a commitment to the people who are trained with what is in effect such federal-provincial government support. Such companies should see to it that the people involved would have a preferential chance at jobs within those companies.

That is what this particular motion which I have moved today sets out as a philosophy. Employers who benefit from federally funded training programs should see to it that long-term training is something which also leads to employment within those companies.

I think if that happens, if we start to take training seriously in this country, five years from now we should not have to look at such grim unemployment statistics as those which have been released today by Statistics Canada.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, the matter before us poses a new meaning to the phrase job training.

• (1420)

Job training normally means acquiring the skills to do a particular kind of work. But the hon. member's motion asks us in effect to guarantee every job trainee a job. If the federal government's training program did not lead to jobs we might indeed be forced to consider this or some other similarly radical proposal to overhaul our strategy; but long-term employment is the essence of our training programs. By far the great majority of our training projects lead directly to full employment lasting a year or more for most participants.

If a training project fails to meet its objective, if the trainees who participated end up having difficulty finding a job that meets our standards; in other words they cannot find jobs that are full-time, satisfying and well-paying, then we cease funding that project. It is that straightforward and simple.

As for the suggestion that participating employers be forcefully required to hire job trainees, surely the hon. member is not seriously implying that the government scrap its newly created approach to job training based on consultation and co-operation, and not compulsion. We all know that if an employee takes training he cannot be compelled to stay where he works. He may, for various reasons, not want to stay there. I am referring to the creation of the 22-member Canadian Job Labour Force Development Board announced by the Minister of Employment and Immigration just recently.

But let me return to the motion for the moment. If you decide to compel employers to do something, it is because you have tried everything without success; so you simply require them to do it, you do not consult with them. In other words, you demand compliance only after consultation and negotiation have totally failed.

But our new approach to job training has only just started. The Canadian Labour Force Development Board has only just been created. And, as the hon. member's alma mater, the *Toronto Star*, phrased it in its lead editorial on January 16, "The new federal approach is truly an attempt to co-ordinate our training programs and solve problems from the bottom up instead of the top down".

Mr. Boudria: Great newspaper.

Mr. Kempling: Surely with the promise of grassroots consultation ahead of us we should be giving this new venture a chance instead of marching in with a top-down requirement like the one urged in his motion.

Furthermore, the motion seems to cast government and employers as labour-market combatants. But, in fact, Canada has many economic players: business, labour, government, social action groups, educators, as

well as the trainees themselves. Marshalling their insights on the training issue has been the federal government's main intent since setting out to design the Labour Force Development Strategy two years ago.

Ours is the consultative approach. Rather than addressing the training issue by saying, okay, what is the problem and how do we solve it, the government has asked: who do we want around the table to help define the problems and seek the solutions?

A policy paper entitled *Success In the Works* which the minister tabled in April 1989 helped define the problem. According to this paper, if present trends were to continue, the 1990s would see Canada's work force become less and less competitive. Now, with the creation of the Canadian Labour Force Development Board, we have made a start on the solution. Not the gently dictatorial solution proposed in the hon. member's motion, but a rather modern consultative strategy which has the strong support and the approval of all players. The federal government needs that support, for training is everyone's concern.

It will take a virtual army of trained and skilled workers to ensure the strength of Canada's economy. Through formation of the Canadian Labour Force Development Board we have recruited the key players who will begin to work out the major issues.

These issues are to ensure that the private sector plays an active role in the decisions affecting skills training in Canada; only one in four businesses provide formal training to their workers; a dwindling labour force growth rate, now only 60 per cent of what it was in the 1970s; a mismatch in some regions between skills and people who have the skills that are needed.

You can see right away that simply requiring employers to retain trainees on staff would not go very far towards solving any of these issues. Yet the motion is right in one sense, job training and skill development are central to meeting the challenge of ensuring that Canadian workers achieve their full potential.

Training is the central issue faced by the members of the Canadian Labour Force Development Board. In fact, labour, industry and government, both at the federal and provincial levels, agree that a Canada-wide training effort is essential for the future prosperity of our country.

All interests are represented: eight from employer groups, eight from labour, two from training providers, four from social action groups representing women, persons with disabilities, visible minorities and aboriginal groups. The board should be in operation by the end of March.

The establishment of the Canadian Labour Force Development Board is a major step in the advancement of Canadian labour-market training programs. Major technological advances in industries around the world demand the growth of new methods and skills here at home. Canadian workers need to acquire the new skills required to keep them working.

As much as this is a key initiative for business, labour and other stakeholders involved with skills development, the Canadian Labour Force Development Board is even more important in these economically troubled times. It is clear proof of people's willingness to work together for the betterment of all Canadians.

We applaud these pioneers who have come with common purpose to the table to consult on job training, something which, to quote *The Toronto Star* editorial once more, is both right and a necessity.

By all means, let us have federally funded job training programs that lead to full-time jobs. Let us impress upon employers who benefit from our programs that they play a pivotal role in the training and retraining of our work force.

With the creation of the Canadian Labour Force Development Board, the federal government has the means of developing a true consensus in Canada about what is needed to train or retrain our youth, our unemployed and workers of all ages who are being displaced in a more competitive and fundamentally restructured economy.

I just want to conclude by saying that I have been through this whole phase in my own business many years ago. I know what the member is talking about, the problem of training employees and seeing them scooped away by a large industry. But I think, with that experience behind me and looking at this Labour Force Development Board and knowing the program behind it,

I am quite confident that we are going to do a good job down the road and this program will help employ any person in Canada who really wants a job.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, may I start my comments by congratulating the member for describing, so eloquently, the words written in that valiant newspaper *The Toronto Star*. Some of us appreciate and have appreciated that paper for a long time and I am glad to see this new-found appreciation on the part of Conservative members for the *The Toronto Star*. It is nice to see that conversion on the part of government members. I will remind other Conservatives when they criticize *The Toronto Star* that it has been extensively quoted by one of their own colleagues today in the House of Commons.

Getting back to the serious issue before us, I have read this motion and I have listened to the speech of the hon. member presenting it and although I am sure it is well-intentioned, I do have some problems with it. I will describe them to you in the following way.

I have had experience in my constituency of some programs, particularly those of job entry and job re-entry.

Both of those programs are very successful in the riding that I represent. What they have done is taken women who had not been in the work force for many years, some of them had actually never participated in the traditional work force—not to demean, of course, their contribution at home—but in the paid work force, if we can call it that, they had not contributed for many years or perhaps not at all. Through this program they were able to integrate into the work force.

• (1430)

That is not always easy for a person who has small children at home, or even where the children are grown, and they live outside a village or town and need transportation into town to go through the training. In some cases, as a component of job re-entry, day care is provided for the children. That has been very effective and it has worked well in my constituency. The Prescott-Russell Separate School Board and the Board of Education have done a tremendous job in making that work. They are the people who have provided the training.

How in blazes am I supposed to expect those people to hire them? They provide the training, but they do not keep those people, Madam Speaker. They are not supposed to; they are a school. This is part of the alternative education program. That is just about the only training that goes on in my riding.

If we were to force the Prescott-Russell Board of Education to hire everyone it trains, we would have more teachers than students at the end of the program. That could not possibly work, at least in the area I represent.

I would imagine that the motion, knowing where the member comes from, is designed to target large industries particularly that perhaps have a tendency to go to small industries and rob them of their best employees with a few extra dollars rather than train their own. Then the small businesses have to train employees only to see them stolen later by the larger employers.

I think the parliamentary secretary, a former businessman himself, was describing that kind of situation as having perhaps happened to himself in the past.

If we are to consider what our colleague from Essex—Windsor proposes in the motion, the motion is going to have to be reworded extensively in order not to have penalties imposed upon people whose job it is—and who do it very successfully—to train others for re-employment using federal government programs.

In my constituency, I wish we had more participation in training by employers. We have had some but, to a large measure, the training has been done, as I said previously, by the alternative education program of both our Separate School Board and Board of Education.

I would not want us to adopt a motion that would suggest outright that employers who benefit—and the employer here is the Board of Education; it benefits by giving the jobs to their teachers to train those people—should be saddled with the burden of those people. The net result would obviously be that it would cease to train these people, largely women, who have received this very valuable training over the last three or four years. This is one sector of the Canadian Jobs Strategy that I must compliment the government on.

That might surprise you, Madam Speaker, complimenting the government is not something I do very often in this House. And I can tell, notwithstanding your impartial usual objectivity, that there is a tendency on

the part of perhaps the Speaker, or at least other members, to smile when I say that.

That part of Canadian Jobs Strategy has worked; namely, job entry and job re-entry. It has done well in my area. I think the program is good, but I also think that the people who have made it work in my area have done a very good job. They have had success rates of something like 90 per cent in placements when dealing with so-called ordinary clients; and when dealing with social assistance-type recipients they have trained—we call those SAR in the short-form language that Employment and Immigration Canada uses—they have had success rates of something like 75 per cent.

That is pretty good, as far as I am concerned. When you find jobs for three out of every four, particularly given the unemployment that is in the constituency that I represent, those programs have been successful. This is a good opportunity for me to state that and to compliment those who have made the program work in my constituency.

[*Translation*]

But I would certainly not want us to pass a motion forcing the school boards I just mentioned to hire the very people they trained. That would kill the programs in no time, Madam Speaker, for lack of participation, if the school boards had to keep, to retain, to hire every person they provided with this kind of training.

So, I want to tell my colleague from Essex-Windsor that, while there is no doubt good points in his proposal, there are flaws in the formulation of his motion, and I have already indicated a few to the House. There may be others as well, as we might find out from other speakers who will describe what the situation is in their ridings as part of this debate.

It might be worth exploring the subject further though. Perhaps the hon. member would agree to withdraw his motion and refer the issue to a parliamentary committee so that could be considered the whole problem described by the parliamentary secretary when he told us, for instance, that some industries, rather than training their own employees, prefer to go and lift some from smaller employers who cannot afford to pay them as well. That is not unusual in the industry.

[*English*]

Madam Speaker, another thing we should look at as well is this whole business of how seniority and wage structure in some industries is developing at the present time. I bring this problem to your attention so that if we are to study the subject matter, I would hope that we would also study the difficulty within industry whereby, for instance, trainees and particularly apprentices are paid much less than, for instance, a janitor.

Let me set out that proposition. If you are a janitor in a plant and you make a certain salary, and you would like to train to be a machinist of some sort, or a skilled worker, you often have to take a cut in salary in order to become an apprentice. That is a big problem that we should study, should we decide to withdraw that motion and refer the subject matter.

I have enumerated some of the problems that I see that need to be studied further, but I think that the motion as presently worded does offer, perhaps, more problems than it does solutions.

[*Translation*]

Hon. John Bosley (Don Valley West): Madam Speaker, this is a historic event. One of my colleagues, our friend, the hon. member for Burlington quoted the *Toronto Star* positively. Another one, a founding member of the rat pack actually congratulated the government. This is a truly memorable day, Madam Speaker!

Madam Deputy Speaker: I could not agree more with the hon. member. This is, of course, International Women's Day.

[*English*]

Hon. John Bosley (Don Valley West): Madam Speaker, I am happy to rise on this motion. Like my friend from Glengarry—Prescott—Russell, I had some of the same difficulties with reading the face of the motion. I listened, therefore, with interest to the hon. member for Essex—Windsor, who has been a friend of mine. We were at college together, so I listen with great care to what he says because he often has useful things to say, as he did here today.

My dilemma is that I agreed with about two-thirds of what he said that had nothing to do with the motion that is before us, but what he said with regard to the motion

that is before us I am afraid I must disagree with him. Therefore, I rise.

He made the point, I thought eloquently, of the need for a better blueprint for training our workers for a prescription for the future where we were going to have high-tech needs and the need to be more competitive in the global economy. He was, in fact, almost directly citing every single bank report one reads today. To get that from the hon. member for Essex—Windsor, it was gratifying to hear that understanding of the reality we face, but the motion goes the wrong way.

If you have spent time in your constituency, and I know the hon. member for Glengarry—Prescott—Russell has in his, talking to businesses that are already in the enormous difficulties that recessions pose, about trying to find the funds to do the things that need to be done to get more people back to work and on payrolls, any suggestion at the moment that one was going to add to the capacity to access training of an obligation—whether that worker has worked out or not—or any other sense of an excuse for a business to say no because there was a perception that what was coming was the heavy hand of government in an audit way thereafter, saying that if you have used and accessed training funds you must now provide long-term employment simply because government has come along and said you have to do it.

• (1440)

My sense of it from my own business experience, and I know the hon. member for Burlington would agree, is that that will not encourage people to put our people back to work. It will discourage them. I know that in my heart and in his heart that that is not the purpose that the hon. member for Essex—Windsor had when he brought this proposal to the House.

I appreciate, as I am sure we all do, the hon. member's desire to protect employment for Canadian workers. I understand and I respect the concern expressed, therefore, in his motion. I think I understand the good intentions that lie behind the motion, the sense that we have to find more ways to encourage our businesses and use government moneys in better, more targeted and more useful ways to make sure that those people who need retraining get it, and that in fact businesses participate in that program.

I can assure the hon. member that all of us want our investment in Canadian men and women to produce timely dividends. Perhaps we need to remind ourselves that we can best secure positive labour market results by supplying people with the training programs they need to pursue appropriate careers and to assist businesses in making sure that those desires are encouraged. That is not done by putting obstacles in the path of business in the training programs.

That is why this government has been so intent on providing training and retraining opportunities for Canadian workers. That is why we have developed the programs to encourage the private sector, including business and labour representative and professional trainers to enter into training partnerships with us of the kind, among other things, mentioned by the hon. member previously.

That is why the comprehensive strategy was developed, the Labour Force Development Strategy, to serve the needs of employers and workers alike. I think everybody in this House wants Canadian men and women to realize their full potential. We want them to participate successfully in the global economy that, whether we like it or not, is coming.

It is only through the education and training of our labour force that we can build a strong and competitive future and that we can compete in that new world that is coming.

Maybe it would be worth while to put on the record the record of this government with regard to these matters because I know the hon. member for Essex—Windsor had the view that somehow the government is reducing its interest in training. The government has, in fact, increased over time the investment in the training and the retraining of workers in programs offered since 1985 through the Canadian Jobs Strategy and, since this last fall, the new programs in the Unemployment Insurance Commission.

The government has always maintained that the failure to preserve a competitive work force would have dire consequences not only for individuals who lose their jobs, but for Canada's general economic prospects. We are aware that a training gap between our workers and those in other countries would have serious consequences for our economic health.

It would make our labour force and our industries less and less competitive. For those who sometimes accuse the free trade agreement of being the reason that many of our manufacturers have left this country, a closer examination of the decisions by those who have left should be made. It is more often from those who have gone because they believe the business environment, certainly in the province of Ontario where I come from, is driven by the costs imposed on business by the province of Ontario and not by the free trade agreement. This has been the chief reason that they have felt the competitive economy that they need to work in is not going to be here at least as that economy is being developed by the governments they see.

Consequently, this government has dedicated more dollars to job training and skill enhancement than any previous government in Canada. This year, over $3 billion will be spent by the government on the UI fund, on training allowances and on employment programming. The investment was not made hastily, and the ideas behind it were thought out and developed through consultations with everybody the government could think of: experts, organizations, groups including the Advisory Council on Adjustment.

In March 1989, that council delivered the report *Adjusting to Win*, an analysis of the constantly evolving work place, on how our workers and businesses can best exploit the world that is coming through the free trade agreement.

The advisory council observed that the major portion of Canadian labour market expenditures were directed to income maintenance, unemployment insurance—the safety net which we all know so well—and that a much smaller percentage of our resources went into employment promotion. The council specifically recommended that governments should shift that balance.

While ensuring that unemployment insurance would continue to provide temporary income protection to unemployed Canadians, it was recommended that more resources should be directed toward upgrading the skills of the Canadian labour force. Canadians would then better project themselves into the volatile labour market of the 1990s. No one who has witnessed the host of changes brought about by something as tiny as a microchip could deny that today's labour force is in a state of dramatic transition. All of us here are familiar with the important challenges posed by technological change, expanding international trade and competition as well as changes in the work force itself. That is why the labour force development strategy places such a major emphasis on skill development and employment training and I could not agree more with the hon. member for Essex—Windsor about the need to make sure that our work force is given the skills it will need.

The federal government is determined to provide leadership in helping Canadians prepare for that labour market that is coming. The task will never be ours alone. Our primary role will, in effect, to be to incorporate the efforts and co-operation of business and labour. We are now enlisting the resources of both business and labour in our training and upgrading efforts.

I suggest the hon. member also ignores the successes to date. His recommendation would in fact, in my view, put a damper on the developments we have achieved. The experience of other countries confirms that business must continually upgrade their workers' skills to remain competitive. For example, on a per employee basis Canadian business expends about one-half of the amount U.S. firms spend on training their workers. That is why we have committed so much of our resources to the training and retraining of workers, and that is the motivation behind the strategy.

All the research done indicates that the Canadian Jobs Strategy has had an excellent over-all record in helping those on the margins of the labour force and those who are most in need. We are planning and designing new programs, building and expanding on the strengths and successes of the Canadian Jobs Strategy program. This year we will spend $500 million more on these programs this year than was spent last year, $900 million more than the year before that.

Indeed, surveys of the national impact of a series of CJS initiatives shows a success rate after 12 months of over 71 per cent.

The hon. member's motion suggests that employers are failing to provide work for the people they train. The statistics suggest exactly the opposite, that the vast majority of those who receive training are permanently on the job, thanks to the skills they acquire. I do not think from my own experience there is a single employer

in the country who would go through the exercise of training a worker and who would then want to lose a worker who was useful to him. The idea that you need to force somebody to keep somebody who is good for him and good for his business makes absolutely no sense to me. The world does not work like that. People who have been trained on a job in a business are the most likely people to get the permanent jobs that that company may be able to create in a growth economy.

More than 86 per cent of those who receive combined training and work experience have said they would keep their present job or, in their view, obtain a better one because of the training they have received.

We will continue to move further and further away from passive support programs and into skill development and relevant career training because we are determined to help young Canadians in particular realize their potential and become full participants in Canadian economic life.

We have committed $296.4 million to the five-year initiative to convince young Canadians to stay in school. Drop-outs become increasingly marginalized in the new and high-tech economy and we therefore have to keep more of our young people in the mainstream of economic life.

All of these programs, particularly the programs aimed at young people, have been expanded. We continue to direct more resources into co-operative education, work orientation workshops, Canada Career Week, and counselling services, and we are doing our best to mobilize business, labour, and the provinces in our stay-in-school efforts.

Madam Speaker, I know my speaking time is about to expire and I would therefore simply close with this: If one assumes that the hon. member for Essex—Windsor's long-term objective, and I think it probably is, is to get more Canadians who are out of work back to work, then somewhere in his thinking I think that he would understand that while we may have a different philosophical approach about how we believe business will get back to being able to create work in this country, we believe it will come through lower interest rates and less government intervention and more opportunities for business with government's assistance.

That is the philosophy we choose to adopt and I can assure him as I am sure you know, Madam Speaker, that we all want to put as many people back into real productive work as we possibly can.

[*Translation*]

Mr. Jacques Vien (Laurentides): Madam Speaker, many important developments have occurred since this motion was introduced, a long time ago.

Since it came to power, this government constantly improved, with the advice and assistance of other government levels and the private sector, the training and job programs it offers. In January, we announced a historical initiative calling for a government-private sector partnership. Because the concept was all new, we set up the Canadian Labour Force Commission.

One of the most important things we learned up to now is that the training and employment needs are very different from what they were a few years ago.

• (1450)

To set the context of these spectacular changes, we should perhaps look back a few years. When the government started looking into the problem of the labour force in Canada, we drew a number of conclusions which were grouped together in the policy statement entitled "Success in the Works" which was tabled in the House of Commons in April 1989.

The Labour force Development Strategy set out in "Success in the Works" predicted that, in the 1990s, the labour force would be confronted with new realities. The main one is that the level of training offered throughout the country no longer meets the requirements of the new decade.

We are going through rough times economically. The training and employment programs we are developping take into account these new realities, one of which is that Canada must invest more money and effort to train a more highly specialized manpower. We are also coming up against another reality, that of the globalization of the market, which will put us in competition with the rest of the world to sell our goods and services. As the international market gets more and more accessible, opportunities will become plentiful, but only for those of us who have acquired the appropriate skills.

It was stated in "Success in the Works" that, unless the trend reversed, there would be a loss of competitivity in

the Canadian labour force in the 1990s. Such changes are much more than projections now, they are occurring. Overall changes are needed in our way of conducting business.

After the Labour Force Development Strategy was announced, the government invited the Canadian Labour Market and Productivity Centre to undertake consultations to learn about the points of view and concerns of both major labour market components—unions and businesses.

Seven task forces were formed. Each was asked to consider an area in particular: apprenticeship, the training of older workers, the training of unemployment insurance claimants, the training of welfare recipients, and human resources planning.

The task forces have provided us with an entirely new outlook and made a number of recommendations. That is what the government intends to do. We are working in close co-operation with the private sector to take advantage of new opportunities that are open to Canadians. We are rethinking completely our training programs and we are restructuring them according to the recommendations of the working groups.

At the present time, Canada urgently needs a labour force capable of adjusting itself to a changing work environment. Our country depends on trade. Technological and demographic changes are occurring so rapidly that traditional methods are no longer bringing results. Canada is already lagging behind many other countries in the area of worker's skills and training.

Our workers will need to acquire new skills and upgrade those they already have. Meanwhile, the rest of world is making progress. Our competitors are reajusting and restructuring in order to meet the challenges of the 1990s and beyond.

To be able to compete against the rest of the world, we need a highly skilled, highly motivated labour force, flexible enough to adapt to any new situation. Our economic survival depends on the way we will educate and train our people. One way or another, almost every single Canadian will be affected. This is why we should be redirecting our efforts towards skill development.

This also means that employers will have to get involved more with training. To achieve this, the government introduced Bill C-21 to amend the Unemployment Insurance Act which was finally adopted last October. This legislative measure makes it possible to use part of the Unemployment Insurance Fund money for job retraining.

We wish also to support more and more the training offered by private enterprise. Even if Canadian corporations complain that workers lack the required skills, only 25 per cent of them are providing their employees with training opportunities.

On a *per capita* basis, Madam Speaker, Canadian corporations spend approximately half as much money to train their workers as their American counterparts. In Japan, employers spend three times as much money to train their employees as we do in Canada.

With the amended legislation following the adoption of Bill C-21, the private sector in Canada should be able to at least double—I repeat double—its training effort. On the other hand, as a result of the new measures we can allocate more funds to training programs for Canadians.

Madam Deputy Speaker: I must regretfully interrupt the hon. member. The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

[*English*]

It being three o'clock p.m., this House stands adjourned until Monday, at one o'clock, pursuant to Standing Order 24(1).

The House adjourned at 2.58 p.m.

HOUSE OF COMMONS

Monday, March 11, 1991

The House met at 1 p.m.

Prayers

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—THE ECONOMY

Mr. Jim Peterson (Willowdale) moved:

That this House condemn the government for:

(1) maintaining a high interest/high dollar policy that gives foreigners a continuing competitive advantage over Canadian producers;

(2) cutting support for export promotion, science and technology and research and development, thereby accelerating Canada's slide into non-competitiveness; and

(3) its economic mismanagement that has caused record bankruptcies, put 1.4 million Canadians out of work and brought about the deindustrialization of Canada, especially Ontario.

He said: Several days ago in my riding of Willowdale I had an experience which I know members from all sides of this House have had. It is not a unique experience for me in terms of my experience in my riding of Willowdale. A gentleman who is 51 years of age, has a university education and has worked every day of his life, is an expert on computers, came into my office and said: "Mr. Peterson, I have been out of work now for six months. I cannot find a job. No one is hiring. Everyone is laying off people. What can you do to help me?"

Mr. Speaker, all of us have experienced this tragic event, tragic in terms of the human questions involved. This individual had a house, three children who are going to school—two of them in university—he had a mortgage to pay, he had a car loan to pay. He had to give up the payments on his car; he did not know how much longer he was going to be able to continue carrying his mortgage.

This is one of the great tragedies which occurs when we have a downturn in our economy. This is why we, as members of this House, realize that we have a beholden duty to our constituents to try to do everything possible to maintain jobs and the strength of our economy in Canada.

We have seen first-hand, all of us, the devastation that can be wreaked on individuals, on families, on municipalities, caused by unemployment and the present downturn in our economy.

This gentleman said to me: "Mr. Peterson, what can we do, what are the answers?" Our economic circumstances are extremely complicated, but I believe this government has made choices since it has come into office. We on this side of the House want to hold the government accountable to every Canadian for the choices it has made.

• (1310)

Let us look at the facts of what the Tories have accomplished in their seven years of running this economy. In 1984 our current account balance had a $2.7 billion surplus. Last year this had fallen to a $16 billion deficit. In terms of our trade with other countries, and Canada is a trading nation, in 1984 we had a surplus of $19.8 billion. Last year it had fallen to $10.8 billion.

What has happened? Why have we degenerated in terms of our ability to compete on the world markets? I give the Minister of Finance credit for recognizing our declining world competitiveness, having mentioned it in his last budget.

In February 1986, about the time that this government was entering into free trade discussions with the United States, the Canadian dollar was at a low of 69.13 cents *vis-à-vis* the American dollar. In August of last year the dollar reached 88.58 cents. That is more than a 28 per cent increase in five short years in the value of our dollar. Every one of our Canadian producers, especially our exporters, will confirm that the most devastating

difficulty they have had in competing in export markets is the fact that our dollar has given a 28 per cent advantage to the Americans over the last five years.

In addition to that, we have had a high interest rate policy whereby our interest rates have climbed more than 5 percentage points higher than those paid by our American competitors. This has meant that Canadian business has been very hard pressed to modernize and to pay for the cost of money in order to carry on their ordinary business affairs. When you put the interest rate differential and the increase in our dollar on the backs of Canadians producers, is it any wonder that we are into a made-in-Canada recession, that our people have not been able to compete and that we have had a record number of business bankruptcies. Along with those business bankruptcies come the personal tragedies of which I spoke earlier, the personal bankruptcies as people cannot pay their bills.

This has been accomplished for us by the Minister of Finance on the basis that he was going to control the deficit. Over that period of time, our national debt has more than doubled. If interest rates had been kept lower, it would have saved us a monumental amount of money. For every percentage point the minister could have lowered the interest rates, it would have saved us $1.6 billion in the first year alone on our national debt. For every percentage point that he drove up the interest rates and thereby brought the dollar up, for every cent our dollar went up against the Americans it cost us $1.3 billion in lost exports.

We have seen the devastation that Canada is suffering today: 1.4 million Canadians are without work. That is 10.2 per cent of our workforce. The minister has predicted that this number is going to go up at least to 1.5 million Canadians without jobs.

Let us look at what has happened in Ontario, Canada's industrial heartland. In just 12 months, unemployment has increased fully 83 per cent. There are 215,000 more people in Ontario today who do not have jobs than there was a year ago.

When we look at this devastation in terms of the broader issue of how Canada is going to be able to compete, let us look at what has happened to the manufacturing sector.

In the short 26 months since free trade came into effect, 277,000 or fully 13 per cent of Canada's manufacturing jobs have been lost. In Ontario, 145,000 key manufacturing jobs have been lost. Why do I stress manufacturing? Because that is where we take our raw resources. We give them the value added. We sell them abroad. Manufacturing jobs pay about 30 per cent more than comparable jobs in the service industries.

Given those devastating facts, what did the Minister of Finance give us in his budget? Any recognition that by acting in a contracyclical manner he might be able to alleviate some of the hardships and reduce the duration of this made-in-Canada recession? Did he make any attempt to deal with the issue that he raised of international competitiveness? Absolutely not, on both counts.

What did he do to help our businesses? He cut funding for export promotion. He cut support for businesses on all fronts. He cut the Canadian Jobs Strategy program by $100 million. He cut transfers for education and training. He cut science and technology expenditures and he increased by $2 billion the costs that business and employees must pay for unemployment insurance.

I said we were going to hold this government accountable for the choices it made. I believe it is critical and it is only responsible that we should present to this House and to Canadians the alternatives that we believe we have to look at in order to deal with this recession, our declining competitiveness and the enormous job losses which have amounted to the deindustrialization of Ontario.

We have a very different philosophy from the government. If someone was to ask me if I would have increased the deficit in order to make some of the expenditures which are critical to our economic future, I would have said that unless we make some of these investments in our economic future, we will not have an economic future. This is the simple reality.

As we continue to lose more and more jobs, as those jobs go south of the border, as they fold up their plants, never to come back even at the end of a recession, how can we deal with creating the income levels and the tax levels in Canada which we have used in the past to develop a humane society? You just cannot do it, and as this government has shown, we are not going to be able to cut our way out of the deficit, we are not going to be able to tax our way out of the deficit. The Minister of Justice has been trying this. There have been 33 tax

increases since he took office, and still he has doubled our national debt.

There is only one way we will get out of this terrible situation we are in and that is by earning our way out of it. In order to earn our way out of it, we have to make the critical investments. We have to make the investments which our competitors are making. No business can compete unless it has world class machinery, unless it has world class talent and employees. And this involves an investment. You do not become more competitive when you are in business by cutting your highly qualified employees, your well-trained employees and throwing them out the door just because they are paid more than the others; or shutting down your machinery. You have to compete, and business understands this. You borrow because you are going to get a higher return on the dollars that you are putting out.

• (1320)

When I say that we do not just want to be critical of the government, that we want to propose to the government some new approaches, I would like to put forward, for your consideration, some of the general areas where we have to consider changes.

The first is the role of government itself. Part of our economic dilemma in Canada today is a paradox. The paradox is a government which does not believe in government. In no other country in the world that is successful economically is the government giving up its essential role in the wealth creation process.

The government is critical to developing a new spirit of co-operation, which is the first thing we are going to have to do to get Canada moving again. This is the spirit of co-operation among all of the key players who are critical to building a strong economy: our entrepreneurs and business persons, our labour groups, our educators, our financiers and, yes, government.

Government has the critical role of bringing these players together to develop, on a concerted basis, the plans that are necessary for our long-term economic future. That is going to require some co-ordination and planning, after all businesses set five and ten year plans.

Japan set long-term goals for its economy and develops strategies and the government played a strong role through low interest rates, through protecting a domestic market and through keeping the Yen low so that Japanese products could take over foreign markets.

Canada is good in certain areas and we are going to have to concentrate on the areas where we have a demonstrated success and where we have a strong chance for success in the future. We must recognize that we are not going to be able to be the best at everything. The key to our future growth is going to be our human resources.

In the 1930s, Argentina had the fourth highest standard of living in the world and, today, it is in the mid-30's. Argentina was then a resource-based economy. It is now going downhill.

Canada has been, for too many years, largely a resource-based economy. We have squandered that heritage given to us by shipping it wholesale out of Canada and not adding a value in our own nation. We are going to have to emphasize the human content and this is why we have to invest in our young people in terms of training, in terms of education and in terms of retraining. There is no better investment we can make to ensure our economic future than Canada's workers and Canada's young people. They are going to have to have the latest technologies to work with; research and development.

In 1984, the Prime Minister recognized the need to double Canada's research and development efforts. He made that his election commitment. He has since preached actively on that issue for many, many years. He has given up lately. Why? When his Conservative government took over, research and development in Canada was at 1.42 per cent of our GDP. It has steadily fallen to the abysmal level of 1.28 per cent. Without a monumental national will and commitment to doubling that research and development level so we are approaching even the levels of our foreign competitors, we are doomed to becoming more and more hewers of wood and drawers of water.

Another area where it is critical that we exercise some leadership is in terms of the high degree of foreign control over our economy. This government has always said that we need foreign investment. Well, maybe we need foreign investment to buy some of our debt instruments, but even that decreases our ability to control our own economic future.

There are over $350 billion in Canada in tax-helped savings. This is an area that we could tap much more creatively to deal with Canadian debt and the need for venture capital. Foreign control over our economy is the highest of any developed country in the world, and it continues to mount. Since the government replaced FIRA with Investment Canada, it has looked at over 850 applications for foreign takeovers.

How many have they turned down, Mr. Speaker? Zero.

With more and more foreign control, more and more of the good jobs, more and more of the research and development, more and more of the tax planning, more and more of the dividend flows, more and more of the inter-company purchases go back to the foreign head office. This is the reality of the multinational corporation. Unless we have our fair share of Canadian-based multinationals, Canadians do not have a hope of competing in the global economy. This is an area where we can improve so much.

I have already talked about monetary policy. There are many other roles that government has to assume in our economy—the infrastructure, a telecommunications system, transportation—all of these areas where government has a key role and where our leading competitors have taken the edge off us and are causing us to de-industrialize, particularly in Ontario. The present situation is bleak indeed, and if the government persists on the course it is adopting, more and more jobs will go south and with them the hopes of a generation of young Canadians. There is another way, but in order to achieve this other way we will need a government that is prepared to assume its true responsibility, to act as only a government can, and to fight for the future of Canada.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would first like to say to my colleague from Toronto that I thought that was an extremely well put and clearly heartfelt message of concern about the reality which those of us as members of Parliament for Ontario, particularly, see around us in our communities.

However, I do want to raise a question. As my constituents see it and indeed as many constituents that we have talked to throughout Ontario as part of our NDP economic recovery tour see it, they have seen many of these plant closings, they have seen many of the shifts to the United States and many of the shifts to Mexico as a direct consequence of the free trade deal with the United States. They have seen it as a precursor of what is likely to happen with any sort of three-way trade agreement with the United States and with Mexico.

I suspect that the the member from Willowdale probably shares with me some of the concerns about both the existing free trade deal with the United States and the devastation which it is causing across our province and probably shares with me some of the concerns about what will happen if a trade deal with Mexico is added to that mix. I have not heard from the leadership of the Liberal Party a commitment to get us out of the free trade deal, if the Liberal party is in a position to implement such a commitment after the next election.

• (1330)

I want to ask my colleague, whose views I share on many of these concerns about industrial policy for the future, if he is prepared to make a very clear commitment on behalf of his party that the Liberal Party, if it is in the position to do so after the next election, will implement the six-month clause in the free trade agreement and get us out of that agreement which has hurt so many hundreds of thousands of people across our province?

I recognize that these are hypothetical questions I enter into now. But if we have moved into an arrangement with Mexico, could I also get a commitment from him that that arrangement with Mexico would not be part of his party's policy, but instead we would go about building a position for ourselves in the world as a country which gives us independence, which gives us trade relations with other countries in the world through GATT and which gives us a counter to this destructive set of dependent trade ties which the United States has entered into with this government.

Mr. Peterson: Mr. Speaker, we have seen the reality that even without a free trade agreement with Mexico, Canadian jobs have moved to Mexico. We are going to continue to see many of our jobs from the industrial north go to the low-wage areas of the southern United States and moving right to Mexico, whether we have free trade or not.

This is one of the realities we have to deal with. This is why you cannot take a dogmatic approach. We in the Liberal Party believe much of the damage done to Canada's industrial heartland, much of the de-industrialization is part of the free trade deal with the United States. but only part of it. They gave us free trade with the promise of more exports and greater access to the American market. Well, we did not get the secure access.

As I indicated in my opening remarks, at the same time this government increased the value of our dollar by 28 per cent. It gave the Americans a 28 per cent advantage in selling into our market and not buying from us. Then it put our interest rates up to a record, more than 5 percentage points higher than the Americans. Well, how can we compete under free trade with that? The whole problem is not just the free trade. Some of it is going to take place anyway.

We, in our party, have committed ourselves to undoing some of the harm of the Canada—U.S. Free Trade Agreement. In particular, we do not believe that the Americans should have a pre-emptive right to buy all Canadian resources at world prices, even if there is a shortage in Canada. We believe that Canada should have the right, in certain cases, to help its suppliers by giving Canadians less than world prices in order to create jobs here. We want to be able to further manufacture our primary resources in Canada and create the high paying jobs here. I am not prepared to accept the provisions in the free trade agreement that deal with the unlimited right of Americans to further take over Canada's economy.

These are areas which I want to see renegotiated. I am not sure that exercising the six-month clause is the best way to do it. The reality is our government, like it or not, is taking us to the table of the Canada-U.S.-Mexico free trade deal. We as a party do not have our head in the sand like the NDP. We believe we have to be there in order to protect our interests. What we do not think is that this government that gave us the same deal with the United States is competent to give us a good deal with Mexico.

While we recognize the global realities, the globalization of our world marketplaces and our world economies, we are not naive, as the NDP often is, about the solutions to some of these things. The answers are very complex. It is not just free trade or no free trade, it is a question of being there to work out the best deal for Canada over the longer term.

This is our commitment and this is how we would approach any of the trade deals.

I want to thank the member from Windsor who has given many thoughtful comments to this House, who has presented many good ideas in terms of how to bolster the strength of Canada's economy, and we look forward to hearing in detail his remarks at a later moment.

* * *

PRIVILEGE

COMMENTS OF LEADER OF NEW DEMOCRATIC PARTY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I rise on a point of order to address an issue that was raised last Thursday when I was not in the House by the deputy leader of the Liberal Party concerning remarks I had made on the previous Wednesday about an amendment to the amending formula on the Constitution.

I welcome this opportunity to clarify very briefly my remarks.

I accept the correction made by the deputy leader of the Liberal Party that I was incorrect in saying that the—

Mr. Marchi: Point of order, Mr. Speaker. I know that the hon. member, the leader of the New Democratic Party would like to respond as we hope she will to the question she raised. I would ask her if she would be indulgent enough perhaps to do it following Question Period and allow us to complete the debate at least until two o'clock on this opposition day motion.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I have to remind the hon. member for Yukon that the question and comment period was over and that it was on that understanding that I recognized her.

Ms. McLaughlin: Mr. Speaker, I appreciate—

The Acting Speaker (Mr. DeBlois): The hon. member for Ottawa-Vanier.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I was here last Friday when the Liberal House leader rose on this issue. At that time, it was agreed that questions of privilege should be discussed in the presence of the members concerned. In this case, the hon. member who was not there on Friday is here today, but I notice that my House leader is not right now. He will be this afternoon.

Let me ask you this: Is it not fair to rule that the members involved should be present when the question is discussed in the House?

[*English*]

Mr. Langdon: Mr. Speaker, a very brief point of order to suggest that since in fact this question was first raised by the Liberal Party at a time when our leader was not in the House, surely it is now inappropriate for the Liberals to suggest that a response should not be permitted at the earliest possible opportunity, which is what we are availing ourselves of in this case.

Mr. Gauthier: Mr. Speaker, the logic made sense Friday. The logic makes sense today, the logic being that a member who is alleged to have infringed the principles of equity and may have caused harm to another person in this House should be in the House when he or she is being questioned.

I just put it that the House leader of the NDP on Friday, here in this House—I was here—said: "Let's put this off to another time when all members of the House who are being affected by this point of privilege are here".

• (1340)

I put it to the NDP: Let's be fair. The House leader of the Liberals who raised the question accepted on Friday, on the recommendation of the House leader of the NDP, that the whole question be put off until later this week.

For the sake of argument, for logic and for fairness we should maintain that position and wait for the House leader of the Liberal Party to be here to discuss this matter with the leader of the NDP.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am no procedure expert, but the point made by the hon. member for Ottawa—Vanier seems logical and reasonnable to me. Besides, I would have liked to hear the full clarification the hon. member for Yukon had to offer. Under these circumstances, I am ready to recognize the hon. member for Yukon.

[*English*]

Ms. McLaughlin: Mr. Speaker, certainly it is not a good use of the time of this House to infringe on the time of the Opposition Day of the Liberals who are discussing a very important subject that really does concern Canadians.

Let me simply say, in completing my point of order, that I accept the correction of the deputy leader of the Liberal Party. When I made reference to the fact that the Liberal Party did not accept an amendment we put forward, I was incorrect. In fact that amendment had been ruled out of order by the Speaker.

My point was simply to clarify that, as I said I would do at the earliest possible convenience. That is what I have come to do today.

* * *

SUPPLY

ALLOTTED DAY, S. O. 81—THE ECONOMY

The House resumed consideration of the motion of Mr. Peterson (p. 18259).

Mr. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the opposition motion to which I am speaking today combines a credible concern with improving the long-term economic health of Canada with a wrong-headed approach to getting the job done.

I sat and listened with great interest to my hon. friend for Willowdale who has been known from time to time to speak out on these issues. He made some pretty blatant statements this morning that everybody was laying off and industries and so on were going to hell in a hand basket, which really is not factually correct. There are industries that are hiring. There are very positive results from the free trade agreement.

One of the things that the opposition failed to recognize was that the free trade agreement is a long-term agreement which goes over a 10-year period. We are well into our third year now of the free trade agreement. We have completed two years of the free trade agreement, and some of the results are very good. We are very pleased with them.

For example, Canada increased high-tech exports by $4 billion since the deal, while such imports from the United States fell by $600 million. Obviously in the high-tech area, the area that the hon. member talks about or the value added area, we are doing much better. Resource exports declined during that period of time.

It says here: "During the first 22 months of free trade Canada not only posted slightly better numbers than the United States, but made its gains in high-tech and capital intensive industries rather than selling off resources." That was a research study done by the Canada West Foundation, a non-partisan and federalist organization.

Ever time a report comes out that does not agree with the opposition, obviously it is suspect. If it agrees with with opposition, it is wonderful. I see my hon. friend from Willowdale over there chuckling to himself, but he knows that is very true.

I am very optimistic about the free trade agreement. I think back to when the auto pact was signed by a Liberal government of the day.

I can remember the New Democratic Party at that time flailing away at it, together with the auto unions, saying that it was one of the worst pieces of negotiation that had ever gone on, that we had sold out the Canadian auto industry, and so on and so forth.

Two and a half years into it and we are calling for it to be completely amended or wiped out. Today the same group protects the auto pact most vehemently. That is fair ball.

I am sure that when the free trade agreement is fully implemented, when the second round of acceleration of tariffs is announced in the not too distant future, it will be very obvious that we will have some great advantages in the free trade agreement. Restructuring is going on, and that is exactly what we expect to go on in this country. It is a very positive thing. It is going to assure Canada that it will have its rightful place in world trade; not just trade with the United States and down into South American but world trade. The restructuring that is going on is very important.

I think my hon. friend from Willowdale would agree with that. He has not totally annihilated the free trade agreement like the New Democratic Party would. He said that there were some areas they would like to look at perhaps to renegotiate, and that is fair ball. I can understand that. In any negotiations you win some and you lose some. That is the way negotiations go on.

The New Democratic Party however would wipe out the free trade agreement. It would go back to the old protectionist days of putting up tariff barriers—

Mr. Brewin: Sir John A. Macdonald.

Mr. McDermid: Sir John A. was back 125 years ago. Are you telling me that the New Democratic Party is going back 125 years? I say: "Yes, it is". That is the problem with the New Democratic Party. It cannot get in step with what is going on in the modern world. That is exactly why it is behind the eight ball. That is exactly why it will never form a federal government. It wants to go back to the old ways, put up the tariff barriers, put up high tariffs on everything, and protect this little island called Canada. Never mind that we trade 35 per cent of what we produce, never mind that; the hon. member wants to go back to the old ways, the old high tariffs. That is what he wants.

That is what New Democrats are talking about over there. I am not sure that his friend from Windsor would agree with that. The hon. member should maybe get together with him. Maybe he wants to wipe out the free trade agreement and go back to the old tariff walls and so on, but I do not think he does. I really do not think he does. I sat with him throughout the free trade debate, and I think he found a lot of positive things within that as well. Am I not correct?

Mr. Langdon: Is that a question?

Mr. McDermid: Certainly. He is smiling and nodding his head.

Mr. Langdon: The answer is no.

An hon. member: He said no.

Mr. McDermid: Certainly he found some very positive things in the free trade agreement. I am sure he will find more as time goes on.

The February 28 budget lays down the—

Mr. Langdon: Mr. Speaker, I hesitate to interrupt the minister's flights of fancy here, but it should be made very clear that this party continues to oppose the free trade deal and that I said so from my seat when he threw this ridiculous question at me.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I will recognize again the Minister of State for Privatization and Regulatory Affairs.

[*English*]

Mr. McDermid: Mr. Speaker, that was very important and added a great deal to the debate.

My hon. friend, who has now left the House but whose debate this is, was pointing out that the trade surplus had dropped somewhat in Canada. I think he said $10 billion. It is around $13 billion. I had dropped. One of the things he forgot to mention, though, in his speech was the increase in trade. There has been a huge increase in international trade from Canada in that time period.

Of course, trade is two way; we import as well as export. The amount of increase in trade has been very interesting in the free trade period. Seven of ten provinces posted trade increases to the United States since the free trade agreement. He did not mention that. I am not sure why, but I guess it did not really support his argument that he was trying to give. That is probably why he did not do it.

Of the three provinces that are down, British Columbia is one where the export of wood products is down rather dramatically because of the lack of house building in the United States. We know that that is down. We know that the province of Saskatchewan is down about 3 per cent. That has to do with prices for the product that it produces out there. New Brunswick was down somewhat.

• (1350)

In the time left, I want to talk a little bit about our plans to correct some of the economic problems we are experiencing in this country and in fact for economic renewal. In doing so, I believe the budget of February 26 addresses the overriding issue, that is getting Canada out of the current recession and back to renewed growth and job creation.

However, it is a budget also that makes a crucial watershed choice about how renewed prosperity must be achieved and sustained. The plan for economic recovery aims at nothing less than a fundamental change in the political culture of budget making and government spending, and in attitudes and behaviour of Canadians regarding inflation.

Yes, we need to change political culture, political attitudes and expectations. This is because the key to economic recovery now and stable sustained growth in coming years lies in establishing the basic conditions for lower interest rates.

We have heard the message loud and clear during pre-budget consultations with all sectors of society. I met with a number of them, including senior citizens, arts groups, and women's groups in this country. Loud and clear, consistent from every single group that we met in pre-budget consultations, was the message: lower interest rates are the fuel to boost consumer spending, to reignite the construction industry and create affordable housing, to assist farmers in times of uncertainty, and to help business invest in the new equipment research and training that Canadians need to succeed in this fiercely competitive global market that I referred to earlier.

The plan for economic recovery is a clear message for Canadians in turn. Market forces are the real and final arbiters of interest rates, not governments and not the Bank of Canada. The only economically sound foundation for lower interest rates is a substantial reduction in inflation and, I might add, in Canadians' inflationary expectations. That is why the plan for economic recovery takes innovative action through setting realistic public inflation targets to help make this happen.

Just as important, the plan directly supports and reinforces these targets through rigorous new discipline in three key areas: government spending control, deficit and debt reduction, and wage restraint. Better financial management by government is a vital element of the economic framework Canada must put in place to achieve recovery and sustain prosperity.

Such management will restore public confidence that our prospects for lower inflation and interest rates and for real gains in productivity and individual prosperity will not be swallowed up in the quagmire of government deficits and debts and in the higher taxation that these demands cause.

Better government control of its finances will help to motivate people in how they act and think, in setting prices, in making wage demands, and in the ways they want government to use its finite resources.

It is these changed expectations and behaviour that will make possible the most significant reductions in inflation and interest rates. We know this because we have not forgotten our history. In designing our plan for

economic recovery we have drawn on important lessons from the past.

For nearly 25 years, from 1950 through 1973, Canadians enjoyed an outstanding record of economic growth and personal prosperity. Our standard of living virtually doubled in that period of time.

This growth was not accidental or automatic. It resulted from sound economic policies. Inflation was less than 3 per cent during that period of time. This kept interest rates down. Annual federal deficits were small or non-existent. Boy, talk about the old days. Business investment grew strongly and we became more productive and wealthier.

Then along came that 1974 to 1984 period. Governments let inflation soar. They forgot about the lessons between 1950 and 1973. They just let inflation take off. They spent much more than they received in taxes. We were living beyond our means. The deficit jumped to $38 billion annually and the national debt surged from $27 billion to more than $200 billion. It was no wonder then that the 1974 to 1984 period saw economic growth and productivity fall as business was battered on two sides, by increasing government intervention, taxation and debt, and by growing global competition from foreign industry. A declining Canadian dollar was not able to counter these problems.

As we heard today, while that may be part of the problem today, it is not entirely the whole story. We still suffer the consequences: interest payments on that 1984 debt, just the interest, not for programs, not for senior citizens, not for health care or for secondary education, 80 per cent of our subsequent deficits, pushing our debt to nearly $400 billion a day. It has all been interest, 80 per cent interest.

Since 1984 we have worked to rebuild the underlying conditions for economic prosperity and we have made some progress, especially considering where we started from. The growth of the debt has been slowed. The deficit is still too high. I am the first one to admit that and we all are. The deficit is a way too high. It has been cut in half since we came to office as a share of our national income. Inflation has been held in check to about half of what it was between 1974 and 1984.

We have implemented historical, structural reform to boost efficiency and growth potential. Of course I refer to the deregulation of the energy and transportation sectors; tax reforms such as the GST makes Canadian firms more competitive both home and abroad; and the Canada-United States Free Trade Agreement, which I touched on earlier, giving us secure access to the world's largest market.

To help Canada overcome its current problems and to lay deeper foundations for lasting prosperity, more needs to be done. The plan for economic recovery takes these fundamental, decisive steps. They include restraining wage increases for the federal Public Service and members of Parliament over the next four years, extending the expenditure control program to 1994-95, making it a law that all revenues from the goods and services tax are used only to bring the public debt under control and are not spent on other things, and passing legislation that sets absolute limits on government program spending for the next five years.

These actions will produce concrete results. The deficit for 1991-92 during this recession period will be held to $30.5 billion despite the problems we are experiencing. By 1995-96 it will have dropped to just $6.5 billion. That is the lowest deficit in nearly 20 years.

As well, the need for new government borrowing on financial markets will be eliminated even sooner, by 1994-95, and this is the goal that we set out in our 1989 budget. That will represent, for the first time in 25 years, that no such borrowing is needed.

To deliver these results the budget was tough, but it is also sensitive to the real hardships currently facing many Canadians. That is why expenditures will grow substantially more in 1991-92 than in the years following: 6.9 per cent compared to an average of only 3 per cent for the entire five-year period.

Mr. Speaker, may I call it two o'clock and conclude my remarks immediately following Question Period?

Mr. Speaker: It being two o'clock, the House will now proceed to Statements by Members, pursuant to Standing Order 31.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

FORESTRY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, Donohue intends to rebuild, at a cost of $8.7 million, its crosscutting and debarking plant in Comtois, in the Abitibi, which was damaged as a result of a fire last December. Work will start on the plant this April and is expected to be completed by the end of August. It will be one of the most modern plants in Eastern Canada. Rebuilding the plant will help stabilize 400 jobs, including forestry workers.

Donohue wants its plant to be ready for the economic recovery anticipated in the second half of this year. This is very good news for forestry workers in Comtois, Lebel-sur-Quévillon, Senneterre, Barraute and the Abitibi. Mr. Speaker, I personally would like to thank Donohue management for this excellent decision.

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[*English*]

CITIZENS' FORUM ON CANADA'S FUTURE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, on February 28, the government tabled a budget estimate of $17.9 million to pay for the expenses for this fiscal year of the Citizen's Forum on Canada's Future. This House immediately referred the matter for scrutiny to the Standing Committee on Consumer and Corporate Affairs and Government Operations.

Our rules impose a deadline for the study, and by March 21, the committee must report or Parliament will have failed in its duty to examine how public funds are spent.

This committee has not met since last September when its chairman resigned. The government has repeatedly refused to reconvene the committee. It is high time the members of Parliament examine carefully this expenditure of taxpayers' money. The government must make sure that this committee meets within the next few days.

Mr. Speaker, there are ten days left before the deadline. I, for one, believe that the Spicer commission can make an important contribution to the ongoing debate on this country's future, but the atmosphere has to be improved. Parliament must be involved. This House must make a thorough and serious examination of the commission's budget. To fail to do so would be a serious breach of the trust placed in Parliament by Canadians. This commission must be given a chance.

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ROYAL CANADIAN MOUNTED POLICE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, tonight it will be safe to walk the streets in rural communities across Canada, but how safe will it be after March 31 if they lose their visible police force?

Funding for the RCMP had already been hacked by $19.4 million last year by this government. For the division that polices communities in British Columbia, that has meant a $4.1 million reduction in funds. Services like detachments in rural communities, training, and patrols have been slashed in order to cope with these budget cuts. Rural communities across this country like those in my riding, communities like Enderby, Falkland and Lumby, risk losing their visible police force presence as services are rationalized and reduced.

The choice for the provinces and the municipalities is clear: either pick up the tab or close detachments and leave communities without an effective and visible police force.

I urge the Solicitor General to reconsider his actions. Our embattled country cannot afford to lose yet another national symbol. Our small communities merit the level of protection that they have enjoyed.

* * *

NATIONAL SOCIAL WORK WEEK

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, from March 11 to 16, the Canadian Association of Social Workers will be celebrating the first annual National Social Work Week in Canada.

Social work is a profession with a long history of commitment to improving the well-being of people in society, particularly those people with special needs. Today's social workers are employed in family agencies, hospitals, seniors' programs, and child protection services. They may work directly with individuals, groups,

and communities, or on their behalf through research, social policy, or planning groups.

The 11,000 members of the Canadian Association of Social Workers should be recognized for their valuable contribution to the betterment of society. We wish them every success in the celebration of National Social Work Week.

* * *

REGIONAL AIR SERVICE

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, Transport Canada's cost recovery proposals threaten the economic and social well-being of regional air service.

In Atlantic Canada, Air Nova and Air Atlantic, under these new proposals, would face as much as $1 million in extra costs for this year alone. Traffic losses as a result of the fare increases that would follow these operating cost increases could be as high as 30 per cent on prop-jet services.

The cost recovery proposals of Transport Canada will most likely mean that services to smaller communities will be reduced and employment in the commercial aviation industry will decline. Thus, these proposals will alienate our smaller communities even more.

We cannot afford any more job losses and we cannot afford to isolate regions of the country, especially at a time when the future of our country is at stake. We need policies that bind our country together. The smaller regions of this country have just as much of a right to quality air service as the larger centres of Toronto, Montreal and Vancouver.

* * *

[*Translation*]

SALON DE LA FEMME

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, at the twenty-first Salon de la femme in Quebec City, 14 Quebec women received special honours.

They are: Claire Bonenfant of the *Fédération des femmes du Québec*; Mary Lamontagne, *S.O.S. grossesse*; Francine Roberge, *Fédération des infirmières*; Élisabeth Laliberté, *Viol-Secours*; Louise Clément-Tessier, *Association des femmes d'affaires du Québec*; Yolande Dumontier, *Carrefour familles monoparentales de Charlesbourg*; Agathe Léveillé, *Alliance professionnelle des infirmiers et infirmières*; Céline Dubé, *Association des religieuses pour la promotion de la femme*; Hughette Labrecque-Marcoux, AFEAS; Thérèse Légaré, *Centre femmes d'aujourd'hui*; Jacqueline Dumont-Robitaille, *Cercle de l'amitié de Saint-Romuald*; Noëlla Huot, *Cercle des fermières du Québec*; Cécilia Gaudet, *Réseau national d'action éducation-femmes*; and Denise Perreault, *Parents uniques*.

Each in their own way, these women have given freely of their time and energy to help other women make better lives for themselves, and I think they deserve our thanks and congratulations.

* * *

[*English*]

AIR TRAFFIC CONTROLLERS

Mr. Sergio Marchi (York West): Mr. Speaker, the shortage of air traffic controllers in Canada has caused them to take desperate actions in these desperate time. Witness last Wednesday when an air traffic controller had to shut down operations in Halifax due to chronic overwork.

Regrettably, the situation faced by our control tower operators is not an isolated or a regional one, but one of national implications. To make matters worse, the federal budget recently cut the air navigation system by $48 million, further reduced it by 20 person years and also decreased the expansion of air traffic controllers by 43 per cent.

In terms of public safety, these cutbacks are absolutely absurd. I call upon the Minister of Transport to do three things. First, conduct an immediate and open public investigation into the Halifax occurrence; second, ensure that the full complement of air traffic controllers are hired as soon as possible; third, that the Minister of Finance reverse these budget cuts very quickly.

Given the recent developments, it is the Minister of Transport who is asleep on the job, not Canada's air traffic controllers.

S. O. 31

COMMONWEALTH DAY

Mr. Girve Fretz (Erie): Mr. Speaker, today is Commonwealth Day. I would like to read two short paragraphs from the message from Her Majesty the Queen, the head of the Commonwealth.

> Each year, the Commonwealth Day celebrations draw attention to the multi-nation, multi-race and multi-faith nature of this unique organisation. But we should also be looking at ways to make practical use of these advantages. I therefore welcome the idea that this year the theme of the celebrations should be "Science in the Commonwealth"—
>
> The Commonwealth, with its many well tried channels of communication and consultation, is uniquely placed not only to enable member countries to keep abreast of scientific advances, but also to help them benefit from their practical applications. I believe that the Commonwealth tradition of quiet co-operation and its advantage of common language can make a special contribution to the practical application of science wherever it is most needed for the sake of human welfare as well as for the long-term health of our planet.

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NATIONAL SOCIAL WORK WEEK

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Canadian Association of Social Workers will be celebrating its National Social Work Week in Canada from March 11 to March 16.

Social work as a profession has always been involved in working with disadvantaged people, in attempting to improve their well-being and their position in society. Social workers work with abused children, frail elderly, families in difficulty, the unemployed, the mentally ill and disadvantaged communities.

Social workers not only attempt to assist individuals and groups who are disadvantaged, but have also been leaders in social action movements aimed at bringing about basic social and economic reforms. Social workers are now in the front line, helping people that have been savaged by this government's economic and social policies.

The Canadian Association of Social Workers represent social workers right across Canada. This House recognizes their contribution to the well-being of Canadians and to the improvement of Canadian society.

PROMOTIONAL FLYERS

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, on Saturday, March 9, while women across the country and around the world rallied to mark International Women's Day, in the Byward Market, just a five-minute walk from Parliament Hill, Zap Dance Bar distributed disgusting, sexist promotional flyers on hundreds of cars.

In language and in visuals the message was clear, and I quote: "Buck-a-shot, where a dollar buys you more than you think." The accompanying caricature of a scantily clad woman with a smoking gun and a hand full of cash, is offensive not only to women but to all people concerned about the dangers of sexism.

• (1410)

I call upon the Zap Dance Bar in Hull, just down the street from the Lido, which this government knows well, to withdraw immediately this advertising. I challenge them to use the profits they have made from this disgusting and damaging exploitation of women to make a contribution to a women's shelter in Ottawa-Hull.

We may have marked how far women have progressed on International Women's day, but this kind of trash reminds us we have taken only small steps along a long road to a decent society.

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CANADA WINTER GAMES

Mr. Albert Cooper (Peace River): Mr. Speaker, just over a week ago the Canada Winter Games came to a close in Charlottetown, and I would like to commend all Islanders for an outstanding job.

The Canada Games are a testimony to the partnership of the public, private and voluntary sectors of our society. The Government of Canada contributed about $18 million to this celebration of sport and youth. The legacy of capital facilities, together with the wonderful memories and friendships that were generated, will live on to serve well the children and grandchildren of Prince Edward Island.

1995 will see a significant milestone in the history of the Canada Winter Games. Grande Prairie, the largest community in my riding of Peace River, will serve as host city, the most northern host city of any Canada Winter

Games. In thanking P.E.I. for their wonderful hospitality during this year's games, I invite Islanders and all Canadians to Grande Prairie in 1995. Come and experience northern Alberta hospitality.

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AIR TRAFFIC CONTROLLERS

Ms. Mary Clancy (Halifax): Mr. Speaker, I call upon the Minister of Transport to act immediately to investigate the situation at the Halifax International Airport and to assign more air traffic controllers to that airport at once.

Last week, the under-staffed control tower was shut down for two hours by a controller exhausted from two 16-hour shifts in less than two days. The unidentified controller worked the extended shifts for a sick co-worker.

The controller on duty at Halifax is not to be blamed. He acted wisely and responsibly. As he was working his second 16-hour shift in two days, he understandably became tired. It was the proper course of action in the best interests of safety to turn his responsibilities over to Moncton. Nevertheless, one wonders what would have happened had an emergency situation developed at Halifax and what will happen in the future while under-staffing remains a problem.

One wonders if it may not be the government's intention to see if Moncton's flight service centre should handle Halifax's much busier airport. Nova Scotians, however, are not prepared to accept that there is a suitable substitute for on site staff control facilities.

The controllers are an essential part of aviation safety and they must be located at all major airports handling passenger flights. The cutbacks to air traffic controllers, begun in the middle 1980s and continued in the most recent cuts are—

Mr. Speaker: The hon. member has exceeded her time.

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PUBLIC SERVICE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, the Public Service Alliance of Canada and its president, Daryl Bean, have been intemperate in their response to the recent federal budget, which restricts public service wage increases to 3 per cent per year over the next three years.

"Absolutely insane" rants Mr. Bean, while threatening a strike and suggesting that public service members defy any possible back-to-work legislation.

Can this be the same Public Service Alliance of Canada which has imposed a 3 per cent wage settlements on hundreds of its own employees? Is this the same Public Service Alliance which last year endured a strike from its own secretarial and administrative workers in order to arrive at a 3 per cent wage settlement?

Is this the same pretentious Daryl Bean who says it is okay for PSAC to give its employees 3 per cent and yet, in the same breath, says it is "absolutely insane" for the Government of Canada to do the same thing?

What sanctimony, Mr. Speaker, what utter hypocrisy. It is time the PSAC sought credible, responsible and consistent leadership.

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CANADIAN ARMED FORCES

Mr. Howard Crosby (Halifax West): Mr. Speaker, over 100 members of the Canadian Armed Forces arrived today at CFB Shearwater in Halifax County. I am sure all members want to join in welcoming these proud Canadians back to their home and native land.

Some hon. members: Hear, hear.

Mr. Crosby: It is time parliamentarians looked beyond the very moment of the day to the role played by our military forces in Canada and beyond. Paraphrasing the words of Sir Winston Churchill: "If we do not give them the tools, we cannot expect them to do the job".

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LAND CLAIMS

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, on Friday the B.C. Supreme Court Chief Justice brought down his decision in the Gitksan-Wet'suwet'en land claims case.

In a decision that has set back many important previous decisions, the Chief Justice ruled that the Gitksan-Wet'suwet'en have no aboriginal claim to the area they have lived in for years.

The Chief Justice said this was "a political trial". Indeed, the reason for the case was because the provincial government had refused to negotiate land claims in the first place.

This ruling, which may be appealed, should not be used by either the B.C. government or the federal government to avoid negotiating and resolving the land claims issue.

Both governments have an opportunity and an obligation to show leadership by ending years of discrimination and mistreatment of aboriginal people in Canada by taking the questions of self-government and land claims seriously.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, in the absence of the Prime Minister, I direct my question to the Acting Prime Minister. We live in the freest, most democratic and most varied country in the world. Hundreds of millions of people would like to live in Canada. Frustrations certainly run deep, but then opportunities are unlimited. As members of the Parliament of Canada we are duty-bound to take every means necessary to renew the federal system. In addition to what is already being done, Parliament must advocate specific propositions on all aspects of constitutional reform. With that in mind, when will the Prime Minister finally widen the mandate of the Beaudoin-Edwards Committee?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I should think that all members of the House agree with the preliminary remarks of my colleague concerning the importance of Canada and how hundreds of thousands if not millions of people in the rest of the world would like to live here and continue to build this country as we would all like Canada to be. With respect to the specific question of my colleague, Mr. Speaker, the Prime Minister said on many occasions that indeed he had struck appropriate committees to examine the issue and urge all participants to come up with a constitutional amendment which would meet the expectations of all Canadians. I am sure all people will strive to achieve that goal.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, from time to time, all members of this House have honest differences, but there is one thing upon which most of us can agree and that is that we have a great country. It is worth saving.

Some hon. members: Hear, hear.

Ms. Copps: Clearly, in saving this country there is a role for the federal Parliament to play in examining the specific issues of division of power.

I ask the Acting Prime Minister in place of the Prime Minister: When will the government allow the Parliament of Canada to have a real say in the constitutional issues that are facing our country at this critical time?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as I said in French a few minutes ago, I think every member of this House would agree with the preamble of my hon. colleague with respect to the importance and greatness of this country and how so many people outside would like to be part of it.

With regard to the specific question, the Prime Minister has answered that question on many occasions. He has indicated that he has set up various commissions or committees in order to look at the constitutional question and to find, particularly, a better amending formula.

Parliament, as usual, will take its part in the debate. As suggested by the Prime Minister last week I believe, if the hon. member wants to use an Opposition Day to discuss this question, she is welcome to it.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, we are talking about the approach of an all-party parliamentary committee to examine all the issues relating to the Constitution, not merely the amending formula.

For the Prime Minister or representatives of his government to suggest that the deed could be done on a single Opposition Day is simply senseless. I would like to ask the Acting Prime Minister once again. The constitutional clock is ticking. The best chance that we have for a national consensus to save this country must emanate from a public parliamentary process.

• (1420)

I want to ask the Acting Prime Minister when he and his government will be prepared to table in this House the public parliamentary process that will lead to real constitutional reform.

Hon. Pierre H. Cadieux (Solicitor General of Canada): Again, Mr. Speaker, as was addressed by the Prime Minister on a number of occasions, it is important to have a public forum in order to discuss these very important issues because that is one of the things that Canadians had against the Meech Lake process. That is exactly what the Spicer commission is all about. I invite all Canadians to make their views known to that particular commission, and I am sure that in due time all parliamentarians here will have the occasion to participate in an appropriate debate.

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BANK OF CANADA

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Finance. The minister will agree that if his own budget projections are going to be achieved, Canadians must become convinced that inflation will come down.

Does the minister still believe that the Bank of Canada and its governor have the credibility to reduce inflationary expectations of Canadians when the bank's annual report reveals that wages at the bank itself rose by 9 per cent last year and the governor's own wage increased by about 4.2 per cent?

Does the minister condone these increases, or is he willing to ask the bank to set the example he expects Canadians to follow?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that my hon. friend is aware of some of the details of the figures that he is talking about, but I would like to get these on the record for the House.

The increase in the salary bill last year for the Bank of Canada is based, first and foremost, on a 4 per cent basic structural increase for employees at the Bank of Canada. In addition to that there was a 1.2 per cent effective increase as the bank upgraded the quality of its staff by laying off people who were replacing people who were in low-income areas with people who were more highly qualified and therefore people who would be paid more money.

The final point is that there is an element of increase based on the performance pay that employees of the staff were getting.

As far as the salary of the governor is concerned, we found that there were a small number of senior officers of Crown corporations who had not received an increase for the last year. All the deputy ministers and a number of other senior members of Crown corporations had received a salary increase, so we thought it was only fair and appropriate to give the limited number who were still left the same increase.

Mr. John Manley (Ottawa South): Mr. Speaker, I believe Canadians will be incredulous to hear that the governor of the Bank of Canada and his employees got a performance pay increase for what they have done to Canada in the last couple of years.

Some hon. members: Hear, hear.

Mr. Manley: In the last 10 days the minister admitted that his pre-1980 election tax reform was the wrong policy for the time. Now the governor has admitted that his monetary policy of the same time was wrong. Who is going to pay the performance penalty for the recession that those policies have brought on? How about the minister and the governor?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it is all very well for my hon. friend to make these statements, but he was one of the ones standing here in the House saying: "Don't increase interest rates because that would be the wrong thing to do".

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): What we have found and what the Governor of the Bank of Canada said in his statement was that the economy was going very strongly in that period and that possibly if anything interest rates might have been a little higher. That would have been the opposite of what my friend is saying now so he is trying to get on both sides of the issue once again.

Some hon. members: Oh, oh.

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THE CONSTITUTION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Acting Prime Minister. We heard over the weekend the premier of Quebec say he only wanted to have negotiations on a bilateral basis with the federal

government. We know from last week that the finance minister is planning to negotiate and discuss new fiscal arrangements with the provinces and we have a number of committees and commissions that are now studying the constitutional issue.

My question to the Acting Prime Minister is simply this. Will he commit today, on behalf of this government, that there will be no negotiations with any one province or any group of provinces until the Canadian people have been heard and until all of the commissions and committees have reported?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, there will be no such commitment. The government will carry on in the normal way dealing with the provinces of Canada with respect to fiscal matters as well as others. The fiscal agreements that the hon. Leader of the New Democratic Party is referring to are not routine exactly, but matters of regular government business. A five-year term of the equalization agreement expires next year and there are going to be a series of discussions and negotiations with the provinces on fiscal agreements between the Government of Canada and the provinces, that is from a fiscal point of view, rather than a constitutional point of view.

No one is suggesting any change in jurisdiction. This is a matter of a transfer of funds from the Government of Canada to the provinces. We will be continuing to carry out the business of Canada in the normal manner, as the people of Canada expect.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I think it is important that the government assure Canadians that there are no negotiations that are going on on a bilateral basis that will affect future constitutional talks. I would also in the same aspect like to raise another matter.

[*Translation*]

The Prime Minister said that the deputy ministers meet to advise the government on national unity. Will the Prime Minister or the government immediately table in the House the terms of reference given the deputy ministers? Can he also give us the assurance that the final product will be tabled in the House and made available to all Canadians?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, there is nothing unusual in that the procedure that has been adopted with respect to advice to the government on constitutional matters. Deputy ministers of the government are there to administer government departments and to give the government advice.

The Prime Minister has sought the advice of certain or all of the deputy ministers of the government in connection with possible constitutional negotiations and they will give the government their advice when they have completed their work.

There are no terms of reference that can be tabled here today. The results of the advice given to the government will be used by the Prime Minister and members of the government insofar as they think the advice is the kind that should be followed by the government. As events proceed, we will see what advice the government is acting upon.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I think if anything is clear from ongoing constitutional negotiations in Canada, it is that this has to be a constitutional round for all Canadians. The court ruling by the B.C. Supreme Court last week against the Gitksan–Wet'suwet'en raised a lot of questions again for people about aboriginal title and aboriginal rights, particularly in that ruling suggesting they do not apply in B.C.

I think what this means is that this government must give a commitment to all Canadians indeed in this round of constitutional talks we have an urgency to deal with outstanding aboriginal issues and it must be done in this round. This must be a round for all Canadians.

Can the Acting Prime Minister assure this House that aboriginal issues will be a substantial part of this constitutional round of talks?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, this constitutional round, it is agreed I believe on all sides, is for all Canadians, all provinces, all issues and all of those who have an interest, including the aboriginal groups in Canada. Aboriginal interests and issues will certainly be a part of the discussions that take place in this constitutional round. That has been made clear.

• (1430)

We are trying to involve the people of Canada as widely as possible in this discussion, as are a number of the provinces. That is the purpose of the function of the Spicer commission that was set up by the government and which commission was attacked last week in such a deplorable manner in this House of Commons.

We are trying to involve the people of this country as much as we can in the discussions and get their views. Certainly aboriginal issues will be an important part of the matters to be discussed, and hopefully settled.

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POST-SECONDARY EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is to the Minister of Finance.

A week ago last Wednesday the Minister of Finance would not admit in this House that he had indeed cut funding to post-secondary education. I want to quote from the tabled estimate documents, which read: Secretary of State, EPF post-secondary education payments—that is referring to transfer payments—changed. There is a minus in front of the $485.8 million.

When is a cut a cut? Why this double-talk? Will the minister stand up in the House today and admit to Canadians that he has indeed cut cash payments to provinces for education, thereby threatening Canada's competitiveness and our nation's quality of life?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the opposition member has finally used the right word. I have never said that the cash payments were not cut. What I did say is that the total payment, the cash plus tax transfers, will be increasing by the population growth, and that is a continuation of what we did starting in the 1990 budget.

I should point out to my hon. friend—and this might be unusual for me, Mr. Speaker—a quote from Leonard Shifrin. "The blinkered Liberal and NDP rhetoric is not on the mark." He went on to say: "Scoffing at its plan to amend the Fiscal Arrangements Act so medicare standards can continue to be enforced is downright dangerous; what they should be doing is pushing the government to deliver on the measure."

We are committed to delivering on this measure. But the point that I want to make is that the total transfer, the tax and cash transfer, is not being cut. The hon. member would be well advised to look at the substance of it.

Mr. Ronald J. Duhamel (St. Boniface): The minister's source does not understand any better than he does.

[*Translation*]

Last year, the Association of Universities and Colleges of Canada and the Canadian Federation of Students predicted that cash payments would be cut in Quebec in 1997, in Ontario in 1999 and in the other provinces soon afterwards. The freeze the government has just put on these payments has made the situation worse. The federal government is withdrawing completely from cash payments. Why is the minister taking away from the poor and the poorest regions? Why does the government insist on attacking the programs that unite us as a country?

[*English*]

Hon. Michael Wilson (Minister of Finance): The total amount of the major transfers that the federal government will be making to the provinces in the next five years is $183 billion. That is a significant amount of money and the provinces can use that in support of medicare or post-secondary education or other forms of education or highways, whatever they want to do.

The point is that the tax transfer is a substantial amount of money, and it will continue to grow.

My hon. friend made the comment that we were penalizing the lower income parts of the country. On the contrary, we have designed this so that the total transfers will increase at 3.7 per cent per annum over that five-year period. For the Atlantic provinces it will grow in excess of 4 per cent, and for the non-equalization receiving provinces of Ontario, Alberta and B.C., it will be about 2.5 per cent.

So, we have structured this in a way so that there is greater growth in those regions of the country which need the help the most.

[*Translation*]

EMPLOYMENT

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Finance. Conservative policies have lead to 150 layoffs at Black & Decker, 150 at Marconi and 2,000 at CN, which makes a total of more than 7,000 layoffs in Montreal in a matter of months. Today in Montreal, one person out of four is living below the poverty line. Montreal now has the highest poverty rate in this country. There are more than 222,000 unemployed workers in Montreal. My question is directed to the Minister of Finance: When does he intend to table in this House, before Canadians, an economic policy that will create jobs for the people of Montreal?

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member speaks of the lay-offs in his region of Quebec. The government is sympathetic and understands the enormity of change in certain ridings in the industrial structure in Quebec. However, I remind the hon. member that we have 1,280,000 more people at work today than in 1984. I remind him as well that the manufacturing base of Canada, according to the Royal Bank in its report of December 19, 1990, is almost 10 per cent above what it was at the end of 1982.

The strength of the Canadian economy is still there, but if it will be matched by further declining interest rates and further declining inflation, I am sure that we will see a real amelioration of the economy in his region as well as across Canada.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): My supplementary is directed to the Minister of Finance. So many people are unemployed in Montreal today because of his high interest rate policy. When will the Minister of Finance realize, once and for all, that his economic policies are disastrous for Canada and especially for Quebec? And when will he announce an economic recovery program for Montreal? What about the Picard report, which has been on the shelf for two years?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the budget is designed to generate economic renewal in the country, not just in the city of Montreal or the province of Quebec, but in all parts of the country by getting interest rates down.

My hon. friend is going back to his roots when he says the only way we can get the economy going again is to sprinkle money around in different parts of the country. That keeps interest rates up and that is what this budget is designed not to do. We want to get interest rates down because that will be felt by every business person or every person in Montreal who wants to buy a new home or a new car or whatever.

The old way, certain people have the advantage of it. This way, our way, everybody gets the advantage of lower interest rates.

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BANK OF CANADA

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance who, last week, told Toronto business people that high wage increases were hurting Canada. Yet, the Bank of Canada has now reported 9 per cent salary increases and John Crow himself has seen his salary range jump by $103,000 since 1986.

I want to ask this government how it can keep any credibility when it sets these big income gains at the top and then freezes the incomes of low-income secretaries throughout this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend is very well aware that last year the senior members of the Public Service, deputy ministers and senior executives in Crown corporations, had an increase of 4.2 per cent. That compares with an average for federal public servants of, I believe 5 per cent, which was the average, and a good deal higher for those in the private sector.

We have demonstrated a good deal of restraint in government. We have also committed that with the wage policy that will proceed from here. Senior members of the Public Service will get no more than the average of the public sector settlements by the federal Public Service.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, how is it possible to describe a $103,000 increase in five years as restraint? It is not just salaries, either, at the bank that have gone up, travel has gone up 25 per cent and staff expenses over 11 per cent.

• (1440)

How can the government justify this rich life for those very Bank of Canada people who are telling the rest of this country to pull in their belts?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I described to the hon. member, in response to a previous question, the specifics of the Bank of Canada situation last year.

The basic salary increase was 4 per cent over there. The salary increases for senior public servants, including the senior officers of the Bank of Canada, from here forward will be exactly the same as for deputy ministers, including the ministers on this side who will be taking a freeze of their ministerial pay. In this range of ways we are demonstrating restraint.

I would expect that we would get a little bit more support from the hon. member for this restraint policy, because it will help the companies that he is concerned about in Windsor, the same companies that he stands up and complains about their difficulties in meeting the competition from across the border—

Mr. Speaker: The hon. member for Algoma.

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MINING

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Employment and Immigration. She knows that this Friday over 1,000 miners will be laid off at Denison Mines in Elliot Lake. This will bring the total to over 3,300 lay-offs or 80 per cent of the mining jobs there since last July.

I want to tell the minister that these miners are being told that it will take seven or eight weeks for them to get UIC benefits. I wonder if the minister, in spite of the fact that they have only had little over a week's notice of the lay-off, could step into this situation, take action and ensure that these payments are made in a prompt way, and not have these miners and their families wait seven or eight weeks for the benefits from their UIC.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I thank the hon. member for his ongoing concern in this area.

We have of course continued to pay special attention to this part of Ontario that has been hit very hard with some job cuts. All I can assure the hon. member is that I will look into the processing times. Clearly we want to provide our services as efficiently as possible there as elsewhere.

Mr. Maurice Foster (Algoma): I have a supplementary question, Mr. Speaker.

Over two months ago the minister had put before her department a program for industrial adjustment under the Community Futures Program of $6.3 million. I wonder, in view of the importance of training, retraining and upgrading programs to these miners who are being laid off and additional ones, if the minister can approve immediately that budget.

I ask this question because I am concerned about the $100 million cutback in the budget by the Minister of Finance and want to ensure that miners who lose their jobs and other Canadians are not going to be affected adversely when it comes to industrial adjustment, training and manpower programs.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I want to assure the hon. member that, thanks to the passage of Bill C-21, of course we do have additional funding for training, training allowances, Community Futures and so on. There is actually a net increase in the amount of money that will be available over all rather than a cut.

I would also like to point out that actually the funding that has gone into this region in the last year has been close to $9 million. We will continue to watch events as they arise.

We are of course concerned about other parts of northern Ontario as well. They have benefited from our industrial adjustment service and from Community Futures, as has the region the hon. member represents.

[*Translation*]

RESEARCH

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, my question is directed to the Minister of Finance.

I have here a letter from the president of the Natural Sciences and Engineering Research Council, who wrote recently to the presidents of Canadian universities to inform them, and I quote: "That budget cutbacks may oblige the Council to reduce the number of researchers subsidized by the federal government".

In his Budget, the Minister of Finance claimed that to increase productivity, we must invest in training and developing the skills of Canadians. Could the minister explain to the House how a reduction in the number of researchers financed by the federal government will help meet the objectives set in his Budget?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the Natural Sciences and Engineering Research Council for the year we are just moving into is receiving a total increase of something like 4.8 per cent. Under the existing circumstances I think that is a reasonable amount.

In talking to the president of NSERC, my understanding is that it is going to put more and more of that money into the operating and scholarship components of its operation and less into some other parts, which in essence is what the member is asking for.

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, again, I have a letter here from the president of the council which states that given the budgetary constraints facing NSERC one of the likely effects of these changes will be a reduction in the number of researchers supported. This is a letter written just recently to presidents of universities across Canada.

I would remind the minister that two years ago the Prime Minister's own blue ribbon committee recommended doubling the budgets for university research in Canada. I want to ask the minister a question.

Given that such an investment would lead to increased productivity, increased growth, and a lower deficit, will the minister on behalf of the government at last commit to providing the urgently needed funding for university research and the training of researchers right across this country?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I think it is quite apparent to most Canadians that if we do not get this national debt under control, if we do not get interest rates down and subsequently get the dollar down, it will not matter much what you are going to put into the NSERC or the MRCs. There will be no base funding for the universities, and that is really the issue.

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THE CONSTITUTION

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Acting Prime Minister on the important issue of the future of the country in the constitutional sense.

Given discussions in Montreal about the Allaire committee over the weekend, the fact that Belanger-Campeau will report very soon, and the fact that we have a committee of federal deputy ministers studying things such as the division of powers, I want to ask the Deputy Prime Minister whether or not the time has now arrived when members of this House—his party, my party and the Liberal Party—should be looking at substantive constitutional issues such as aboriginal rights and the division of powers.

Given the fact that the committee on the amending formula will start travelling and will have public hearings next week, would he not consider expanding the mandate of the committee to deal not just with the amending formula, which is important, but to allow Canadians to speak about national unity regardless of its process or content?

Have we not arrived at that time?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, there is nothing preventing members of this House looking at substantive issues in connection with our constitutional future. In fact I would think that many of them are doing just that.

As a matter of fact, in the Conservative caucus we have a committee on constitutional issues which is devoting a lot of time to considering these issues.

You do not need the government to organize for the opposition that it should form caucus committees or whatever to consider these issues. The process at the present time is that we are attempting to get the views of the Canadian people through the Spicer commission. We have our own Commons–Senate committee on the process of amending the Constitution. We have six or eight provincial inquiries under way.

When the Prime Minister and the government feel the time is right, we will make a decision as to what the next step should be. In the meantime we are doing our homework and we hope that other members will as well.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I think the time is right now to deal with both process and content of constitutional change.

In light of the fact that some $8 million has been allocated for the national unity task force in the next year, could the Acting Prime Minister tell the House whether any of this money has been spent or will be spent on special interest groups to study national unity, groups such as the Business Council on National Issues, the Chamber of Commerce, or any other groups? Has money been spent or has it been allocated to those groups on that important issue?

• (1450)

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the money involved that the hon. member is referring to is to be used by the government in order to prepare and to study all of the options that should be looked at in connection with possible future constitutional arrangements in Canada. It would include meeting the expenses of constitutional experts and people with experience who are called upon.

I cannot tell him here today as to how much has been spent to date or on what particular subject. This is the kind of use that this funding will be put to.

When we have seen what the full range of views of the Canadian public is and when we have seen this year what are the considered views of the various bodies organized by the provinces that are looking at this question, the Government of Canada will come forward with what it thinks is a solution to these problems. We will then invite a debate not just in this House—

Mr. Speaker: The hon. member for Nepean.

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CHILDREN'S RIGHTS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the Acting Prime Minister.

In May 1990 the United Nations General Assembly adopted the convention on the rights of the child. On September, after adoption by 20 nations, it entered into force. Canada was not one of those 20 nations.

In spite of what the finance minister says, this government has cut millions of dollars from health care and education budgets, areas where the United Nations convention outlines minimum standards.

Could the Acting Prime Minister explain when Canada will ratify its commitment to this agreement and what measures will be taken to ensure that Canada is able to live up to the terms of this convention on the rights of the child?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the hon. member knows that the Prime Minister is very concerned with the rights of children in this country. That is why he chaired the summit last year at the United Nations.

My colleague from the opposition has many premises in the question, one of them being that our social programs are in danger. She should know that 35 cents of every dollar goes to pay for the debt.

The best way that we can take care of the children of this country and the health programs of this country is with the budget the Minister of Finance has introduced. That is how we will do it. That is how we will succeed.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, if the Prime Minister were really serious about the convention on the rights of the child, why has Canada not ratified our agreement?

Surely, the Acting Prime Minister will realize that because of the division of powers between the provinces and the federal government, the only mechanism that he

has to guarantee compliance with the convention is the funding that he transfers to the provinces.

Now that his government has drastically cut the provincial funding, I ask the Acting Prime Minister to ensure that Canada can meet its commitments to the convention on the rights of the child.

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, my hon. friend should know that transfer payments to the provinces with regard to children have not been cut. They have increased by 3.7 per cent, while at the same time the federal government is increasing its programs by 3.4 per cent.

We are doing our share and we should hope that the provinces will do theirs.

* * *

ABORIGINAL RIGHTS

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is for the Acting Minister of Justice.

I would like to ask the minister what policy direction the federal government is willing to take to ensure the protection of aboriginal rights as enshrined in the Constitution, in light of the B.C. court decision with respect to the Gitksan–Wet'suwet'en case.

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as my hon. colleague knows, a very lengthy judgment was rendered on Friday in the particular case to which she is referring.

The Department of Justice, as others I am sure, is looking into that particular judgment right now, which obviously is subject to appeal. The appeal delays have not expired yet.

With respect to the question of aboriginal title, that particular decision was with respect to aboriginal title to land. The decision, I am informed, is on that particular subject with respect to a specific area in British Columbia and should not affect aboriginal titles or rights elsewhere in Canada.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, the aboriginal people across Canada felt the blow of the decision of the B.C. Supreme Court regarding their aboriginal title and the questions they have about that.

What specific and immediate steps are being taken by the federal government with regard to policy regarding aboriginal rights? How would they specifically deal with the fall-out of this decision which has deeply impacted the spirit of the aboriginal community in Canada?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as I said a few minutes ago, that decision is very lengthy. If I am not mistaken it is somewhere around 390 pages. The case took four years. It is a very complicated case. I am sure that all legal experts on both sides of the issue are looking into the decision right now.

With respect to the specific question of aboriginal title to land claims, et cetera, the Government of Canada has a very specific policy on that, in that the Government of Canada is interested in settling land claims at the negotiating table and therefore invites the Gitskan and other Indian groups to come to the negotiating table, which I must say has been done. The Government of Canada again requests the presence of the Government of British Columbia to the same table.

* * *

HEALTH CARE

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a question for the minister speaking on behalf of the minister of health.

On Thursday, the Newfoundland Liberal government announced it was closing 360 acute care hospital beds, laying off medical personnel, reducing hours of operation in community health centres, and removing eye testing from medical coverage, as well as freezing the medicare budget at last year's level.

Yet, on Friday, the Minister of State for Finance and Privatization stated that he felt Newfoundland was setting a good example that he hoped other provinces would follow.

Does the minister agree with the minister of state that these cutbacks are the example he wants provinces to follow in medicare? If so, how do such cuts maintain national medicare standards?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, as I mentioned a few minutes ago, our transfer payments to the provinces in the areas

of health care and post-secondary education, the global area, have increased by 3.7 per cent. This year alone, the federal government will spend $14 billion on medicare and health care.

We know that the provinces are experiencing difficult situations. We are experiencing difficult financial situations. It is as a result of the budget proposed by the Minister of Finance that we will put the economy back in good shape so that our children will have a good medicare and health care system for the future.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my supplementary question is for the same minister.

This government has said that it will enforce national medicare standards. Yet the Newfoundland government has withdrawn a basic health service, namely, eye examinations.

Will the minister use his authority under the Canada Health Act to force the reinstatement of this basic medical service in Newfoundland?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the Minister of National Health and Welfare is committed to ensuring that the Canada Health Act is complied with. That is what we intend to do.

* * *

PORTS CANADA

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, my question is for the Minister of Transport.

Just prior to last Christmas, some 20 leaseholders in the Prescott area of my riding received a notice from Ports Canada that their current leases on cottage lots were cancelled and that new leases would be issued. The new leases showed increases of over 700 per cent in three years. This was done with very little or no dialogue with the leaseholders, some of whom have been leaseholders for 35 years and more.

Will the Minister of Transport give me and these citizens some assurance that he will intervene; that, if increases are warranted, they will be tempered with reason: and that he will not allow his department to impose increases which in any other facet of Canadian life would be illegal?

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I want to thank the hon. member for bringing this matter to our attention.

I am not personally acquainted with what he is referring to, but I will bring it to the minister's attention and have it looked at for him.

* * *

• (1500)

TRADE

Mr. Jim Peterson (Willowdale): Mr. Speaker, since free trade, Canada has lost 277,000 or 13 per cent of all our manufacturing jobs.

This wholesale deindustrialization of Canada is going to have a devastating impact on Canada's economic future. Will the Minister of Finance tell us how, with this deindustrialization, does he think Canada can compete in the future? How can we compete if we have nothing left to compete with?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, with reference to these canards about the free trade agreement, the hon. member seeks to emulate the Canadian Labour Congress which listed a figure like that and then listed all the jobs that have been lost, which included Air Canada, which included government agencies, which included auto parts companies, none of which were included in the free trade agreement.

I refer the member to a speech by Frederick Telmer in Kelowna, British Columbia: "The persistent assault on the FTA manifests a flight from reality."

I refer him to: "Free trade gets ringing endorsement from the Canada West Foundation."

I refer him to: "Trade deal benefits Manitoba", and so it goes across the country.

Routine Proceedings

BUSINESS OF THE HOUSE

DESIGNATION OF ALLOTTED DAY

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

ROUTINE PROCEEDINGS

[*English*]

CANADA MORTGAGE AND HOUSING CORPORATION

TABLING OF SUMMARY OF CORPORATE PLAN

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, pursuant to Standing Order 32(1),

[*Translation*]

—I have the honour to table, in both official languages,

[*English*]

copies of a report entitled "Summary of the 1991-95 Corporate Plan of Canada Mortgage and Housing Corporation".

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, a few moments ago I, and several other of my colleagues, heard the chief government Whip refer directly to comments made by the hon. member for Willowdale as being untrue.

I believe the word he used was "liar". He repeated the word on a number of occasions.

Some hon. members: Shame.

Mr. Boudria: Of all people in this House, the chief government Whip should know that such language is unparliamentary according our rules and according to the citations of Beauchesne. I would urge the hon. government Whip to withdraw the comments he made, which of course are contrary to citations 319 and 320 of Beauchesne.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I do not remember the hon. member who has just spoken being on his feet.

If I offended anybody in the Chamber with my use of the word, I would be happy to withdraw it. If some member, in particular, felt that their honour had been impugned, I would appreciate it if they would rise in the Chamber and complain. Then we could be a little more specific.

In the future, if we do insult one another, I think we have the responsibility to stand in the Chamber and indicate that we feel insulted.

* * *

COMMONWEALTH DAY

SIXTIETH ANNIVERSARY

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, 60 years ago the Commonwealth was born.

In 1931, under the Statute of Westminster, Canada and the other dominions, which included at that time Newfoundland, gained full independence as members of the Commonwealth of Nations "equal in status and in no way subordinate to one another though united by a common allegiance to the Crown".

Today, Monday, March 11, we take pride in the accomplishments of a much expanded, multi-racial Commonwealth as we mark the 15th annual observance of Commonwealth Day across Canada and in 49 other member countries embracing over one-quarter of the earth's population.

The Commonwealth has been central to the growth of Canada's role in the world and remains a key element of its external political, trade, and aid relations. Through a common language and shared heritage and loyalty to common ideals, it has enriched our partnership in many countries in Africa and Asia and has reinforced our historic ties with the Caribbean. It has also provided inspiration for shaping that other great language family to which Canada can claim a birthright—the francophone community of states.

The Commonwealth is dedicated not only to a basic set of values—democracy, the rule of law, fundamental human rights and equality for women—but has given moral and practical leadership in some of the major issues of the day: condemning racism, dealing with debt,

the environment and drugs, promoting the security of small states.

With strong Canadian support, programs such as the Commonwealth Fund for Technical Co-operation, the Commonwealth Scholarship and Fellowship Plan and the Vancouver based distance education facility. The Commonwealth of Learning, have immeasurably broadened opportunities and promoted interchanges among their people.

The past eventful year brought the welcome admission of the Commonwealth's 50th member, Namibia, after that country with steadfast Commonwealth support won its independence from South Africa on March 21, 1990. Sustained Commonwealth pressure, including the work of the Commonwealth Committee of Foreign Ministers, chaired by my colleague, the Secretary of State for External Affairs, has been instrumental in the historic progress registered in the last year toward the dismantling of apartheid in South Africa.

It has been a year of progress in other sectors as well. My colleague, the Hon. Mary Collins, played host last October in Ottawa to a major conference of Commonwealth ministers responsible for women's affairs, which called for full equality for women and their full integration in the development process.

As we start the countdown to the 1994 Commonwealth Games in Victoria, a Commonwealth working party, chaired by Mr. Roy McMurtry, has proposed an ambitious scheme of amateur sport development in member countries.

A Commonwealth election observer mission, which included a Canadian observer, Mr. Barry Turner, has just two weeks ago travelled to Bangladesh to monitor the recent elections held in that country.

The real strength of the Commonwealth is that it is pragmatically oriented and people driven. It links societies and thousands of individuals in a vast international network of professional, service, cultural and sport organizations. These form the real lifeblood of the Commonwealth and ensure its continuing vitality. One which we in this House know well is the Commonwealth Parliamentary Association.

The coming year will be full of challenge for the Commonwealth. Under its new Secretary-General, Emeka Anyaoku, who has our full support and confidence, it must adapt to meet tomorrow's needs and particularly those of its youth. A blue ribbon panel of leaders, including Prime Minister Mulroney, is examining the role of the Commonwealth in the 1990s and beyond, and will make its recommendations to the next Heads of Government meeting in Harare, Zimbabwe this coming October.

Somewhat contrary to the view that states in their external relations have only cold-blooded interests, it is a pleasure to pay tribute to an international association whose virtue is to maintain friendly contacts and fruitful dialogue among states of great diversity. It is this capacity for building bridges which gives the Commonwealth its special importance and potential, and which will make it even more indispensable in the future.

I am sure members will join me in congratulating the Commonwealth, which was born 60 years ago today.

• (1510)

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, it is with pride and pleasure that I rise today on behalf of the Official Opposition, together with my colleague who just spoke, to mark Commonwealth Day 1991.

Now when the move among nations is toward broader economic and political alliances, we can look at our 60-year history as one of the 50 members of the Commonwealth, a multilateral organization in its best form.

The Commonwealth has since its adoption been a leader in the global commonwealth toward democracy. It has assisted smaller member countries like Namibia, Maldives, and has by virtue of its existence as a multi-racial, multinational and multi-faith organization—to use Her Majesty's words from her Commonwealth message today—being true to the principles of equality between all, regardless of sex or economic status, and has been a leader in the development of democracy.

The evolution is continuing and today we have the opportunity to prove the continuing vitality of the Commonwealth by declaring specific and current objectives.

This year will be the celebration of science in the Commonwealth. We will have the opportunity to expand on the work done by member countries. Here in Canada

in 1987 we were in the vanguard of world opinion when the report of the World Commission on Environment and Development was tabled. This was part of an ongoing contribution to overcome threats to the global environment. Now we can apply the same collective spirit and education to the world of science and see our world continue to improve.

I was hoping that the hon. minister would have spent a little more time on how Canada would be contributing in this theme of science in the Commonwealth but he did not.

In South Africa, sanctions have worked and we are witnessing the break-up of apartheid, something many of us thought we would never see. We must keep up that pressure and ensure that all the members of our commonwealth countries have the same rights to freedom and democracy that we enjoy right here in Canada.

There are other contributions the Commonwealth can make to the world. It includes almost one-quarter of the world's population and enough geography to have a real impact on ending the flow of illegal drugs internationally.

Through Official Development Assistance money we can ensure more education and health care for the other members of our family in the Commonwealth, though the recent budget cuts in that funding are weakening where we should be strengthening.

I wish to congratulate the hon. member for Northumberland for reminding the government that you do not cut back on the backs of the poor.

We are concerned about north-south relations. We must never forget our obligations as part of a large extended family. When one member of a family needs a hand, the other members must rally around and support the individual in order to support the whole family.

Today the world is looking for peace, good will, understanding and democracy. The people of the world want to live in health, wealth and security. We are part of the best role model in existence and have much experience to share internationally.

I hope we will continue to take our role internationally very seriously and will consistently work towards the betterment of the world and its people.

Mr. John Brewin (Victoria): Mr. Speaker, I rise on behalf of our party, including my colleague from Saskatoon—Dundurn, to put forward greetings and join with those of the other parties in this House on the occasion of Commonwealth Day 1991.

As has been noted, 60 years ago today the Statute of Westminster came into force and the British Commonwealth of Nations, as it was then called, came into existence.

The Commonwealth replaced, of course, the British Empire, the empire on which, it was said, the sun never set. The empire is, of course, at this stage of the review of history, somewhat maligned. But it should be understood that through that empire both hope as well as exploitation passed. The Commonwealth, as the empire before it, expanded the horizons of people around the world, not only at its centre but at its outer reaches.

Now, the Commonwealth, of course, is no longer British. In fact, in recent years, thanks to the lack of leadership of the British government under Margaret Thatcher, the active leadership of the Commonwealth passed from the United Kingdom to other countries.

The Commonwealth draws together people from 50 countries around the world. As much as has been said today by the minister on behalf of the government of the shared values of the Commonwealth, I suspect that that is somewhat exaggerated rhetoric when one looks at the reality of the Commonwealth. What is shared, simply, is a history. The values of the Commonwealth are not shared as well as they ought to be.

We see, for example, in the response to apartheid in South Africa, governments such as that of the United Kingdom failing to share the overwhelming consensus of other governments and people in the Commonwealth on how to deal with the evils of apartheid.

The Commonwealth itself suffers from deep divisions of wealth. Millions within the Commonwealth still live in abject poverty. Democratic freedoms are an illusion to too many within the Commonwealth. But it must be acknowledged that the Commonwealth, through the

Commonwealth, has passed much of the genius of the British people; Shakespeare, the concept of parliamentary government, the rule of law, the beauty and openness of the Anglican form of the Christian religion and, in reverse, in recent years, the devotion of the Muslim religion, the discipline of the Hindu religion and the honour of the Sikh religion. We have all learned from our association with the Commonwealth that we are part of a larger world, that we share a history with the people of Bombay, Papua New Guinea and Barbados.

As has already been said, if this institution is to survive another 60 years, we must strengthen official development assistance. The Commonwealth must be far more effective than it has been as the voice of the poor and the dispossessed. To do that we must strengthen programs of public education and interchange.

In that regard, and before I close, let me make reference to the Commonwealth Games, coming as I do from Victoria. We have a special interest in the 1994 Commonwealth Games. We are very proud we have been chosen to host those games. The Commonwealth Games are the friendly games. They draw together people from this great institution. If they are to be in keeping with the true value that is said to be that of the Commonwealth, we must do what we can to see that the occasion is used to bring people together, to learn the realities of people's lives, to see that they are not just the best ever games for Canadian athletes, but the best ever games for athletes in every country of the Commonwealth.

As has been noted, the Canadian government and the Commonwealth have provided some leadership in trying to expand the vision not just of the Commonwealth Games, but of the Commonwealth itself through the establishment of a working group chaired by Roy McMurtry. I suggest to the government that it must look carefully at the requests that come for funding from that organization for programs recommended unanimously by that group. The government has been generous in its funding of the francophonie games and the work leading up to it. It must have the same approach to that of the Commonwealth Games.

We join with all parties in urging that all peoples of the Commonwealth give this day the honour it deserves.

• (1520)

[*Translation*]

PETITIONS

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I wish to table pursuant to Standing Order 36, a petition from residents of Vassan who insist that the Government of Canada drop its plans for the development of Parliament Hill, which would cost $68 million and involve building a parking garage and shopping centre under the Parliament Buildings, and that the government acknowledge the need for preserving the natural environment and historical character of the Parliament Buildings and Parliament Hill in Ottawa.

CANADIAN MILITARY INTERVENTION IN THE PERSIAN GULF

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, I appreciate this opportunity, pursuant to Standing Order 36, to present a petition with more than 275 signatures, mainly from residents of Daveluyville who emphasize Canada's reputation as a peacekeeper. They ask that Canada put a stop to its military intervention in the Persian Gulf and are in favour of a negotiated settlement including the Palestinian question.

[*English*]

THE SENATE

Mr. René Soetens (Ontario): Mr. Speaker, pursuant to Standing Order 36 I have two petitions I would like to present today. The first petition, signed by quite a number of constituents from my riding, is concerned with the Senate. The petitioners comment as follows. Knowing that the Senate was established in 1867 for the purposes of representation of the regions of Canada and providing a medium for sober second thought, and that the Senate now performs no useful function, is completely partisan and has proven after many efforts to be impossible to reform, your petitioners humbly pray and call upon Parliament to abolish the Senate outright.

FOOD AND DRUG REGULATIONS

Mr. René Soetens (Ontario): Mr. Speaker, the second petition, signed by again many of my constituents including many from the east end of the city of Toronto, are concerned about the impact of various contents of food on those people with allergies. The petitioners say that

restaurants and food packagers are not required to disclose all food contents. Members of Parliament and others have brought forward Private Members' Bills and issues on the same subject.

The petitioners therefore request Parliament to enact blegislation amending food and drug regulations in order to require manufacturers to list specific food ingredients and additives used in pre-packaged foods in place of general classifications now permitted and further to require restaurants and food retailers to provide on demand to customers a list of all food ingredients and additives in prepared foods.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I suggest that all questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—THE ECONOMY

The House resumed consideration of the motion of Mr. Peterson (p. 18259).

The Acting Speaker (Mr. DeBlois): I wish to inform the House that because of the ministerial statement, Government Orders will be extended by 15 minutes.

[*Translation*]

When the debate was interrupted at 2 p.m, the Minister of State (Finance and Privatization) had the floor.

[*English*]

The hon. member had only one minute left.

Hon. John McDermid (Minister of State (Finance and Privatization)): But, Mr. Speaker, it is going to be a wonderful minute.

In the one minute that is left to me, I want to say that before we broke for Question Period we were talking about economic recovery. The plan for economic recovery sets us on a path where growth, investment and confidence can be sustained and flourish in the years to come.

In doing this, our plan is going to contribute directly to preserving the bonds that link us as a nation. One of the best things we can do to strengthen the unity of our country is to strengthen the economic union and the fiscal condition. This will give us the resources and the regional confidence we need to resolve the other issues and aspirations that challenge us.

Canada has come a long way in 123 years. We should not be selling ourselves short. We have forged a country that is the envy of the world, a tolerant and open society with a superior standard of living.

This prosperity was put at risk by abandoning the traditional Canadian value of paying our way.

Hon. members, I believe that—

The Acting Speaker (Mr. DeBlois): The hon. member's time is up, unless the House agrees to extend.

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent.

Hon. Chas. L. Caccia (Davenport): It is very difficult to take the minister seriously, considering the gravity of the motion and the way that he has dealt with it. His last remarks are particularly offensive because by suggesting that we have to pay our way, the government, by implication, has decided that Canada should improve its financial condition by fighting it on the back of 10.2 per cent of unemployed Canadians, the highest percentage in a long time.

Mr. Speaker, you will agree that that is very poor thinking displayed by the Minister of State for Finance and Privatization. He hinged his argument during his rather lengthy intervention on four arguments. The first one was on the fact that, in his opinion, we are doing much better in high technology exports.

I would like to ask him whether he could explain, if we are doing so much better, why in the past 12 months Northern Telecom in Kingston had to lay off 60 people; why Honeywell Bull had to close in various provinces in the computer manufacturing section, 100 people; why Comterm in Montreal had to lay off 176 people in computer manufacturing; why Northern Telecom in Saint John had to lay off 120 people in telecommunications equipment; why STM Systems Corp. had to lay off 125 people in computer services; why Jonal and Ericson in Don Valley, Ontario, had to lay off 280 people last August in computer software; why Unisys in St. Laurent, Quebec, had to lay off 230 people in computer equipment?

And the list is far from being complete.

That, Mr. Speaker, is the first of my four questions.

The second question has to do with the great advantages of the free trade agreement to which the minister referred in his speech.

We would like to know on this side of the House where the 500,000 jobs are which were promised by this government at the time of the signing of the free trade agreement. I hope that in replying to this question, the minister will refrain from including hamburger-stand jobs.

Third, the minister on various occasions in his recovery speech made reference to market forces and the greatness of the market forces in which he believes.

Perhaps the minister might like to enlighten us as to why the market forces are not being applied in labour relations when it comes to the civil servants of the federal government.

Finally, the fourth question stemming from the minister's intervention is this: What is needed, according to the enlightened Minister of State for Finance and Privatization, is a substantial reduction in inflation and in Canadian inflationary expectations. These are his very own words.

This seems to me a rather sick joke, if the minister is implying that inflation is to be fought on the back of 10.2 per cent of unemployed Canadians today. Perhaps he might enlighten us on some of those points.

Mr. McDermid: First of all, the hon. member knows full well that his last statement was facetious and does not need any more comment than that. This government of course is not cutting back on the back of the 10.2 per cent who are unemployed today. We on this side feel as badly about it as anyone does. We have made that very clear, and that is why one of our largest expenditure increases in this fiscal year is unemployment insurance, to ensure that the safety net is there until the economy is back growing again.

• (1530)

The hon. member knows full well about that. He talked about lay-offs. Yes, there have been lay-offs. There is no question that there have been lay-offs, and we do not take satisfaction in that either.

He rhymed off a number of companies that had lay-offs. I want to point out two things to him. I am going to rhyme off a number of companies that are increasing employment starting with I.E. Aerospace Canada in Winnipeg; in Mississauga, General Electric; in Thunder Bay, Earnway Industries; Trans-Alta Resources Corporation in Malton; Abitibi-Price in Manitoba; and Journal Printing of Sudbury.

I want to refer him to the study that was done by the Canada-West Foundation that said: "Canada increased high-tech's exports by $4 billion since the deal while such imports from the United States fell by $600 million". The study is there. It is an independent study. It is not a government study. It is an independent study.

I saw an article in the paper just the other day for McDonnell Douglas in our area, close to the area that he represents and close to the area that I represent. There was a request for 500 employees at McDonnell Douglas in Malton the other day. Of course, there are employment opportunities out there. There is no question about that.

One of the problems is that individuals like my hon. friend from Davenport have nothing positive to say about anything. All he does is stand up here, criticize and knock and put the country down. We support Canada. We work for Canada. We do not knock it down. We praise it and will continue to do so. I suggest the hon. member do the same.

Mr. Steven W. Langdon (Essex—Windsor): I have a very simple question for the minister, Mr. Speaker.

It comes out of his last statement that suggested that the member for Davenport could do nothing but knock this government and, therefore, that was putting this country down.

I want to ask the minister when this government and its ministers started to identify themselves as "this country". Across this country, there are millions of Canadians who would like nothing better than to affirm their country by kicking this government out as fast as possible.

Mr. McDermid: Mr. Speaker, I am not sure what the question is there, but I will tell you that there are more millions across this country who will not vote for the NDP in the next election. That is for sure.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, in the one minute, I have a very serious question for the minister.

The minister knows my riding of Parkdale—High Park. He knows that Stelco, which manufactures nuts and bolts, is closing and all the workers will be unemployed.

The John Inglis plant that used to employ a lot of my constituents has closed, but I do not think we are into an argument here why the plants are closing, et cetera.

What I would like to ask the minister very sincerely is: What help can I give my constituents who come to me during appointments, produce 30 or 40 letters that they get from companies where they have applied for jobs, including McDonnell Douglas, and get refusals.

They then go to the CEC for retraining. They come back to me and say: "The earliest I can get retraining will be in a year or in a year and a half".

These people want to work. They show me letters of how they tried to get jobs. They have gone to the Canada Employment Commission, and they cannot get them. I am sincerely looking for assistance for these unemployed, not only in Parkdale—High Park. I am sure he has them. We have them across Canada.

Mr. McDermid: Mr. Speaker, there is nothing enjoyable at all about being unemployed. I have been. I know exactly what it is like. It is extremely difficult. When I was out of a job in the early 1960s, all I did was start knocking on doors. I just kept knocking and knocking. I got turned down an awful lot of times, but finally one opened. It was not a job that I really wanted to take, but it was the only thing available at the time. I took it. I eventually got back into my profession, the job that I was trained to do. I eventually got back to it.

All I can say to people is to keep trying, to keep trying and keep plugging. I have the same problem in my constituency in Brampton, where people come to me and ask for advice. And that is all I can tell them, to keep plugging and to keep trying.

We cannot train every single unemployed person, unfortunately. We do not have that kind of money and the hon. member knows that. That is why there are line-ups waiting for retraining today. We are putting more and more money into retraining. Through the unemployment insurance program now there are going to be hundreds of thousands of additional dollars for training. We are doing as best we can, as much as we can afford.

But the Canadian people are also telling us: don't raise our taxes, don't increase the deficit, and for heaven's sake toe the line. So, there has to be a balance there, and I believe the Minister of Finance has found that balance.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I want to say first that this motion which has been put forward today by the Liberal Party is a motion which we will support. We will not support it because it covers what we feel to be a complete approach to dealing with the problems of this economy. We noticed, for instance, that many of the tax measures which we think have to be made fairer in this country, which come out of years of both Liberal and Conservative budgets, are not talked about in the Liberal motion.

We notice too that there are problems with the lack of commitment on the part of the Liberal Party to get us out of the free trade deal, which is hurting so many people across this country. We will not in any sense be endorsing the motion that is in front of us as a solution to the recession, but we do think that it expresses the lack of confidence that Canadians across this country feel in this government. It is a lack of confidence which emerges with tremendous force as you talk to people in city after city across this land, as our economic recovery group in the New Democratic Party has been doing.

The number of people who say that they want to impeach the Prime Minister defies description. The number of people who come up to us and say: "We voted Conservative last time. Never again." defies description.

An hon. member: Hear, hear!

Mr. Langdon: There is in this country a tremendous, devastating absence of confidence in our national government at a time when we face an economic crisis of increasing magnitude. I have to say as a member of Parliament that that is something I feel very sad about.

I wish that this government in this budget that it brought down just two weeks ago had given to Canadians a budget of hope, a budget which would have given Canadians a sense that this government had finally started to listen to the Canadian people and had started to say: yes, we must deal with the recession. Yes, we must deal with the unemployed. Yes, we must deal with the tremendous sense of deprivation which many farmers are feeling across this country. Yes, we must deal with the tremendous sense of unfairness that many aboriginal Canadians feel. Yes, we must deal with the problems of unity which are there in our country.

[*Translation*]

Mr. Speaker, I think it is very difficult to understand a Budget that talks about national unity but, when it comes down to it, does nothing for the unemployed in the province of Quebec. We can read the Budget from cover to cover, trying to find something for the unemployed, but there is nothing. There is no response to the economic needs of the province of Quebec.

• (1540)

Mr. Speaker, I think this is very sad when we consider the threat to the unity of this country.

[*English*]

We saw on Friday the realities of the recession brought very much to light for people across this country with the release of the unemployment statistics for February. When the government brought in its budget on February 26, it claimed that it was responding and that it saw ahead the chances of recovery. Yet the unemployment figures for February is the first sign of what is happening to the economy in the month of February. It is the first sign that has come out.

Those unemployment figures were devastating: an increase in unemployment from 9.7 per cent to 10.2 per cent, a jump of one-half a percentage point. That is thousands and thousands of people; 77,000 people across this country have lost their jobs. In the last year, 430,000 permanent jobs were lost in this country as a result of the policies of this government. That kind of tragedy is especially grim in my own province of Ontario, my own city of Windsor, where in my constituency we have seen unemployment go well above 13 per cent and 14 per cent.

What is tragic is that it is not just something that is hitting the manufacturing sector of Ontario, as perhaps this motion by the Liberal Party might suggest. This is instead a devastating attack on unemployed people, on workers, on fishermen, on farmers. We can see across the country unemployment figures that just leave us close to tears.

We can see in St. John's, Newfoundland 12.5 per cent unemployed. In the province of Newfoundland itself a total of 18.2 per cent unemployed; in the province of Quebec, 12.1 per cent unemployed; and in the province of British Columbia, 9.9 per cent unemployed. That compared to Ontario where it is 9.5 per cent unemployed.

Those are just statistics, but we have met some of the people behind those statistics as we have gone across the country. There is a sense of despair, a sense that hope is disappearing. For the life of me I just cannot understand why this government has not been prepared to bring in a budget that says: here is the human problem and we are going to try to do something about it.

The minister who spoke just before me suggested that the government was increasing its expenditure on the unemployed. He was not correct. Because so many more people are unemployed, the government is having to spend more unemployment insurance money, but each and every single penny of that money will be paid back by the unemployed. It will be paid back by workers. It will be paid back by small businesses. The only thing that dealt with the unemployed in this budget was a $100 million cut to the Canadian Jobs Strategy.

We could talk about other parts of the budget too. We could talk about the transfers for post-secondary education, for instance, something so important to the future of our country. Because of the freeze which has been put into effect until 1994-95—and these are not figures that I have generated or that the NDP research has generated, but come from the Canadian Association of University Teachers—$3.8 billion, will be lost in transfers to our post-secondary institutions. That is $3.8 billion which should be going to help develop the future of our young people, the future of our work force.

It is not just those of us in the opposition who have looked at this budget and expressed serious concern for what is going to happen to our economy as a result. Some of the economic forecasters have looked very carefully at the budget. I want to quote a few of these. I want to quote first from Informetrica, which is based here in Ottawa and is again an independent institution which in fact does a number of contracts for the government. It is not as if they have a in-built bias against this government in any sense. Yet they point out that the result of this budget, according to their detailed calculations, will be that over the next two years there will be 122,000 jobs lost.

They go on to make some points with respect to the budget, and I quote:

> In the midst of a recession, the most powerful automatic stabilizer in the Canadian fiscal system has been "turned off", with a dramatic increase (24.4 per cent) in unemployment insurance contributions.

In the midst of a recession, this government has reached out and forced Canadians to pay more for their unemployment insurance coverage. Informetrica also states:

> After persistent "lectures" from the government about the problems of inflation, indirect taxes have been increased—and labour costs increased. These two items will add about 0.4 per cent to the CPI in 1991, and another 0.2 per cent in 1992.

• (1550)

In other words, it is a budget which will increase inflation despite the fact that the government talks in its budget about the importance of dealing with inflation.

Let us take another group, the Conference Board of Canada, which is usually on the government's side. What do it say? It says in its assessment of the budget which just came out this past Friday: "The budget risks extending the recession and making it deeper". It also says that this budget will "cut GDP growth, income growth in 1991, compared with what it otherwise would have been". It goes on to say there is no fiscal policy stimulus whatever in the budget to help get the economy through the current recession.

In other words, this business financed group is saying precisely the same thing that the New Democratic Party is saying, that there is nothing in this budget to help with the recession. It goes even further and says: "The recovery during the second quarter is now somewhat more at risk than before the budget because this budget takes purchasing power out of the hands of consumers".

It goes on to attack the believeability of the government's inflation targets. It concludes by saying that it expects at least 67,000 jobs lost as a result of this budget, not quite as tough an analysis as Informetrica but completely similar in what it anticipates will happen.

The question is: Was there a choice? Could we have done something different? I want to use the last part of my comments to suggest that yes, there was a choice. We could have taken a different path. We could first have cut the interest rate gap between ourselves and the United States which historically has been 1 per cent, maybe 1.5 per cent. If we had done that, we would have reduced interest rates dramatically in this country. We would also have brought the value of the Canadian dollar down, which would have been a big help to our exporters and would have meant thousands of jobs across this country.

Also, the reduction in interest rates would have meant a reduction of about $6 billion in the expenditure that had to be made to pay interest on our national debt. We could have taken that $6 billion and invested it in the future. We did not have to increase the deficit. We could have taken the money saved from reducing interest rates, invested it in education for our young people in the future, in research and development so our companies would be more effective in world markets in the future and in training.

The minister has just said we do not have enough money for training. That is a tragic admission to have to make when there are over 1.4 million people out of work in this country.

We could have invested in better infrastructure for the future. We could have spent some of that $6 billion on that. We could have spent the rest of that $6 billion on emergency help for the unemployed. It should not be necessary for an unemployed person who has worked for years for a company in this country to have to turn to welfare to keep his or her family fed. That should not be possible as his or her only outlet in Canada in 1991.

We could have put a fair tax system into place and replaced the GST by doing that. If the large corporations in this country and those who are wealthy paid their fair share of taxes, we would not need the GST. Across this country individual consumers and small business people would not be suffering the economic consequences of the GST.

There was the basis for a budget of hope. There was the basis for a different direction, for a new approach, an approach that would have shown it cared about people. I just wish this government had taken that approach instead of the mean and counterproductive approach which its budget demonstrates.

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, I listened very carefully to the hon. member who, in his questions to other speakers and at the beginning of his own speech, launched a fairly wide-ranging attack against free trade. I would like to draw his attention to an article in the *Financial Post*, published on March 5 under the heading: Free trade not cause of recession. This was an analysis by the Royal Bank, the second in as many years to examine the results of the free trade agreement.

The first *caveat* was, that before the agreement came into force, already two-thirds of our trade in goods was free between our two countries. The agreement will be effective for a period of ten years, so that what has already been implemented over the past two years does not reflect the full impact of free trade.

In a survey conducted by the Royal Bank, the main problem in the current recession was identified as high labour costs.

What also struck me in this article, Mr. Speaker, was a short paragraph which says:

[*English*]

The principal objective of the free trade agreement was to secure access to the U.S. market and to provide incentive for Canadian industry to restructure, to take advantage of activities in which we have a comparative advantage.

[*Translation*]

I like their conclusion, Mr. Speaker, when they say:

[*English*]

As long as wage increases exceed productivity and continue to fuel inflation, interest rates and the Canadian dollar will remain high in Canada. We will lose trade centres and jobs to the U.S.

In last week's budget, the federal government tried to remove one reason for high wage increases by targeting low inflation rates. Ottawa is also trying to set an example by announcing caps on wage increases for federal civil servants. The provinces should do the same.

[*Translation*]

I would like to ask the hon. member whether in a period like the one we are experiencing today in Canada, Mr. Speaker, he doesn't think it would be better to try and identify together the solutions to the problems facing this country? Should we not make a joint effort to build a stronger and more productive Canada that will be in a better position to deal with all the social problems we are experiencing?

Personally, I think we need the help of governments, the private sector and the labour unions. I think Canadians as a whole can be realistic and, instead of looking for a single solution, are able to imagine a range of solutions that would make good use of the full potential of our Canadian workers.

• (1600)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I agree that we as members of Parliament must work together to find solutions, if we can, but we must also be prepared to debate and discuss and clarify our various positions as parties and as members of this House. For instance, if we consider inflation, we can say yes, that is a problem. We must deal with this problem. The Economic Council of Canada suggested an approach to deal with inflation. It suggests that all groups in our society meet to examine the issue of inflation and set goals to control it. What did this government do? The government

ignored that suggestion. The government decided to set its own goals, with the Bank of Canada.

[*English*]

That is not the way to establish co-operation. That is not the way to get people to work together in this country, if we are to work together as a society, as has happened in Quebec. One of the things I have admired in the province of Quebec is the pulling together of the different economic actors to talk about economic policy and where it should head in the future. This has taken place both under the Péquiste government and under the Liberal government in Quebec. It is not an approach which is being taken by this government.

Instead, this government says: "We will set the inflation targets", despite the fact that its own Economic Council of Canada said the opposite. It said: "If these targets are to work, everybody has to be involved in setting them."

[*Translation*]

The hon. member mentioned the subject of free trade. I admit it is a complex issue. We cannot say that all jobs were lost because of free trade but it is a fact that many jobs were lost for that reason.

[*English*]

In my constituency, for instance, we have seen 40 plants shut in this past year. These plants have transferred to the United States. They have transferred in part because of the rationalization that free trade meant had to take place. They have transferred because the value of the dollar was so high. And the value of the dollar was as high as it was, I believe, because that was part of the free trade bargain. A former Conservative cabinet minister has said precisely the same thing, someone who I think the member who spoke used to be a parliamentary secretary to, if I am not mistaken—though I do not remember for certain.

So, we have to recognize—

[*Translation*]

Our factories are under a lot of pressure as a result of free trade. We see this throughout Ontario, and I imagine the same applies to Quebec. The hon. member mentioned the Royal Bank, and other members mentioned the Can-West Foundation. All these groups supported free trade before the decision was made, so it is not surprising to see the same groups support free trade now.

The Acting Speaker (Mr. DeBlois): Resuming debate.

[*English*]

Mrs. Diane Marleau (Sudbury): Mr. Speaker, before I start my speech, I would like to beg the indulgence of this House. In view of the fact that within our party we have a large number of members of Parliament who wish to address this question, it would be appreciated if you would allow us to split our time so that our speeches can be of 10 minutes duration with a five-minute question and comment period, if you would agree to that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Does the House agree with the opposition's request that its speakers share their speaking time, so that we will have 10 minute periods, followed by 5 minutes of questions and comments?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I would appreciate it if all hon. members would make this clear at the beginning of their speech, so that it is easier to keep on track.

[*English*]

Mrs. Marleau: Mr. Speaker, I will be speaking for 10 minutes and sharing my time with my colleague, the member for Ottawa—Vanier.

I am addressing this motion which we have brought forward condemning this government, essentially for its very poor economic management which, in effect, is bringing about the deindustrialization of Canada, especially in Ontario and the industrial manufacturing sector in southern Ontario.

I would like to bring a very personal view to this discussion. I want to explain that we in northern Ontario, who come from resource based towns, understand what it means when you lack that industrial and manufacturing infrastructure.

I was born in the town of Kirkland Lake, which is very much a one industry town. From the time I was very young I knew, because we had no other infrastructure, no other diversification, that when the demand for the mineral produced in our town declined, jobs would be lost and there would be no other jobs. Eventually, when the minerals ran out, most people had to move away

from this town. As a result, people of my age group, people I went to school with, no longer live in the area. They migrated south, east and west.

We are again seeing the same phenomenon across northern Ontario, where our young children, my children perhaps and children who are starting to come into the work force, have a great deal of difficulty in finding employment in any of the towns in northern Ontario because many of these towns lack the kinds of infrastructure and diversification necessary.

I then moved to Sudbury, which as you know was at one time also very dependent, and still is somewhat dependent, on mines that produced base metals.

In the early eighties during the severe recession which this country was subjected to Sudbury was especially hit very hard indeed.

• (1610)

Our unemployment rates rose to 28 per cent and 30 per cent. So, I can understand, firsthand, what it means to be living under these conditions.

During these very difficult times, we had in place some very caring governments, all levels of government, which got together and brought forward policies to continue to help the area diversify. I believe that today Sudbury is in a very good economic position as compared to many other areas of this country because the dollars that were spent then created the diversification which we now enjoy.

What bothers me about what is happening throughout the country, and especially in southern Ontario, is I see the loss of good manufacturing jobs. The statistics show us that in the 1981–82 recession, for every five jobs lost, one of them was lost forever.

Today, in the same vein, for every two jobs lost, one will never return. What, pray tell, can we tell these people? Where will they go for employment? What kinds of opportunities await them?

There are absolutely no government programs in place to help this sector.

I listened to my colleague, the Minister of State for Privatization, say that there were some jobs being created and there have been some. He mentioned, in particular, jobs created in Sudbury within Journal Printing. There were, I believe, four or five jobs created in that industry in Sudbury, but let me also remind the minister that those jobs were created as a direct result of a government grant which came to that company from FEDNOR. So it does pay to have government intervention in the sector.

What this government has done, though, in a lot of other areas, is totally cut back in job creation, such as $100 million from the Canada Jobs Strategy. Can you imagine how much good that would do if it were left in place?

It is absolutely essential that this government starts listening to Canadians. Perhaps the worst fact of all is that Canadians feel this government is not listening, is not caring and is putting together an economic policy in some backroom somewhere with someone who is not affected. It is extremely frightening for the people of Canada.

What I would ask is that this government please—and we are all willing to co-operate—let us have some realistic job creation goals and realistic programs. We are all aware that we have a problem with the debt, but we are also all aware that if we do not invest today in our young people, we will not compete in the future, and that if we do not invest those dollars today there will be no jobs there in the future.

It is extremely frightening that this government keeps insisting on this high interest, high dollar policy which, in itself, has created much of the problems we face.

Now some of the members opposite have said: "Well, it is not necessarily free trade that created all of the job losses". I really do not care what has created it, I just want to see it end. Somehow we are in a recession and I do not see this government's policies bringing an end to this recession whatsoever.

There are ways around what is happening now and one of them is, perhaps, in a concentrated effort at job creation. Perhaps it could be a building infrastructure in transportation. With good infrastructure and good transportation our economy can thrive. We live in a vast country and we need the kind of government intervention that can help the transportation problems.

We also need research, development and training. Rather than cutbacks in transfer payments to the provinces which will again put pressure on the university sectors and on the education sectors, we need some co-operative venture between the provinces and the federal government to allow training and re-training at a faster pace. What is happening now is that one government, the federal government, is acting on its own and it is getting out of the business of governing and putting the onus on a province which is further and further taxed.

The welfare rolls have increased in the province of Ontario by, I believe, 100 per cent. That is twice the number of people on welfare today than a year ago. That is not reflected in the unemployment statistics, but it is a very real problem within the province of Ontario and within most other areas of the country as well. One cannot turn one's back on these people. People do not go on the welfare rolls because they wish to be supported by the state. They go on welfare because they have no other means of support.

I would beg this government to do everything in its power to create the kinds of infrastructures, the kinds of job strategies that would enhance employment opportunities in our country.

The other problem we see happening within our country is the foreign control of many of our industries, yet the Conservative government has removed almost all of the barriers to more takeovers. With these takeovers, in many cases the companies are shut down or the profits are siphoned out to another country, and we are left with very little. We must control our own destiny. It is especially important. I beg this government to do everything in its power to bring about some turnaround in this economic fiasco facing Ontario.

Look not only at the unemployed people, but at, for example, a taxi driver. I spoke to a taxi driver while I was in Toronto the other day. He is losing his home because he is getting only half the fares he used to because business people are no longer travelling. He is faced with the loss of his home. He found it very difficult to believe this government was not trying to do something to enhance business in this country, to enhance jobs, because for every job lost, someone else makes less money.

The spin-off effect, the problems that are spread from one end of the country to the other are something this government must address.

Some hon. members: Hear, hear.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Questions and comments. A five-minute period, starting with the hon. member for Ottawa-Vanier. You have two and a half minutes.

Mr. Mac Harb (Ottawa Centre): Two and a half minutes. Very well, Mr. Speaker.

[*English*]

First I want to congratulate the hon. member on her well put speech.

I just received the report of the National Consortium of Scientific and Educational Societies and I would like to ask my colleague to comment on some of its recommendations. The consortium recommended that the Minister of Finance stop reducing the transfer payment to the provinces for post-secondary education until the first ministers agree on an alternative arrangement to fund Canada's universities adequately and reliably.

The National Consortium relies on a comment made by the Prime Minister of Canada when he stated: "In our second mandate we will concentrate on long-term investment in peoples' skills training, education, and strategic technologies.

Today I received another release, this time from the Canadian Association of University Teachers. They are quite alarmed. In fact Bob Kerr, the president, stated that Canada's system of post-secondary education is hovering on the brink of bankruptcy.

In the release which is also signed by the Canadian Federation of Students there is another quote by Professor Kerr: "What the government does not seem to understand is that universities play a vital role in the national economy, in the present and the future".

• (1620)

I would like to ask my colleague to comment on this particular statement. In her area of Sudbury, has she heard from students and teachers at universities like we have been hearing here in the national capital region?

Mrs. Marleau: Thank you for a well-put question. The post-secondary level of education in this country has been severely taxed and severely hit in the past. The people in the education field in my area are extremely concerned with the cutbacks that have already occurred within the system, and they are wondering how they can withstand more serious cutbacks as they see them coming.

The biggest issue is that if we do not train our young people today, how can we have the competitiveness that we need? Our human resources are key. We have the natural resources, but we must train our young people to add value to these resources so that we are the ones who are manufacturing and selling our exports to the other countries and not shipping these resources out to those countries where the labour is cheap and perhaps the training is not very good. If our training is very good, we can afford to pay ourselves some decent wages because we can produce goods that are of higher quality and we can sell them for better value. We will have done the training of our young people and we will also at the same time have done the research and development that needs to be done in order to come up with newer, more innovative techniques in the manufacturing sector. It is absolutely essential.

These are areas within our country that have made our country great in the past. We must not slacken our efforts in that area.

Mr. Sergio Marchi (York West): Mr. Speaker, I commend the member of Parliament for Sudbury for a well-articulated display of economic wisdom. However, I am wondering whether she knows that in Ontario of some 31,000 people who were recently laid off, almost 20,000 of those individuals came as a result of complete shut-downs of plants and closures, and therefore they are of the permanent variety.

I wonder whether she might draw the House's attention to the fact that these are not just lost in a temporary short-term sense but that they are long-term and permanent. It tells us that we have to make severe and serious structural changes.

Mrs. Marleau: I would like to add to that comment. Shame to this government for doing the kinds of things that it has done. It is unconscionable that it would continue in closing its ears and shutting its eyes when we see this total deindustrialization, the loss of these long-term jobs. Has it no care for what happens in Canada?

I see the member across from me shaking his head. I do not believe that this is a laughing matter, hon. colleague. I do not foresee any greatness for our country when a government chooses to continue in its policies of total devastation within our economy.

I would ask the member across the way to please go back to his leader and convey the message which we are trying to bring forth.

[*Translation*]

The Acting Speaker (Mr. DeBlois): On debate. The hon. member for Ottawa—Vanier has the floor for 10 minutes.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I will be sharing that time with the hon. member for Sudbury.

The motion before us takes stock of the disastrous consequences the Conservative government's policies have had on the Canadian economy. There are three points in that motion. First, it proposes:

> That this House condemn the Government for:
>
> (1) maintaining a high interest/high dollar policy that gives foreigners a continuing competitive advantage over Canadian producers;

It is a fact as well as the truth. The current recession, which was largely made in Canada by this government, is fuelled by a conservative policy of high interests and an over-valued dollar.

[*English*]

In the past year the Ontario economy has borne much of the burden. Between January 1990 and February, Ontario lost 56,000 jobs,1 most of them in the manufacturing sector, half of them by experts who will be difficult to replace. Ontario's industrial base has been eroded and much of the damage will be, as I said, permanent.

The blame for this economic mess can only be placed on the insensitivity of this Tory government, which has purposely engineered a recession and thousands—I say, thousands—of personal and business bankruptcies. The pain being felt throughout Ontario and within my riding of Ottawa—Vanier is terrible.

[*Translation*]

Businesses in my riding and throughout Ontario paid a high price because of the unsound policies of the Conservative government. Several went bankrupt. I will quote some statistics on that. Others had to lay off employees. Some could not afford expanding and modernizing and others are struggling to survive. Did the government forget that the vitality of the Canadian economy depends to a large extent on the small business? I am asking the question, Mr. Speaker. A large part of Canadian jobs are created by the small business.

[*English*]

The cost of Tory government policies is staggering. One has to spend a couple of days researching a speech to find out that there is untold evidence to support this statement.

The Canadian Manufacturers' Association says high interest rates are the primary cause of the fall in the volume of manufacturing shipments and will cost manufacturers in Canada about $3.2 billion more in interest charges in 1990 compared to 1987. The picture is bleak.

[*Translation*]

Second, under number two, the motion before us calls for this:

> That this House condemn the Government for:
>
> [—]
>
> (2) cutting support for export promotion, science and technology and research and development, thereby accelerating Canada's slide into non-competitiveness; —

Mr. Speaker, in the very important field of high technology, this government's policies were definitely a step backwards. The government-made recession has put through hell the high technology businesses established in the Ottawa area for example.

Over the past year, we witnessed the closure of Leigh Instruments, one of the oldest and most popular company in the area, with 750 jobs lost. Mitel Corporation had to make temporary lay-offs and cut jobs. Newbridge Networks, a telecommunications company, had to shut down its plant and lay people off. Gandalf Data laid off 70 employees. And it goes on, Mr. Speaker; my list is quite long.

[*English*]

In *The Ottawa Citizen* of March 7, high-tech consultant Denzil Doyle estimated that Ottawa had lost at least 15 per cent of its high-tech industry last year and perhaps as many as 4,000 employees. Doyle says there isn't any sign of new companies to rejuvenate the industry. That is bad news. There are problems in the high-tech sector. The recession is probably the main problem. It has produced the worst business climate for the high-tech sector in a decade. It has made the selling of corporate equity very difficult for them. It has put even more pressure on already thin research and development budgets.

[*Translation*]

Mr. Speaker, nearly half of the jobs in Canada involve the use of computer technology. Yet, almost 90 per cent of this technology is imported. In 1984, this government was saying, and I quote:

> The State should do its share (to strenghten the field of technology in Canada) by creating a favorable climate and encouraging the entrepreneurship required to foster innovation on a large scale.

[*English*]

We have been going down in research and development. We are doing less today than we were doing six years ago. Yet, this government promised it would do something about it.

In 1987 Canada's proportionate spending on R and D was only half that of Germany, Japan and the United States, and was less than smaller countries such as Switzerland, Sweden and the Netherlands.

[*Translation*]

Finally, Mr. Speaker, the motion before us states:

> That this House condemn the Government for:
>
> [—]
>
> (3) its economic mismanagement that has caused record bankruptcies, put 1.4 million Canadians out of work and brought about the de-industrialization of Canada, especially Ontario.

Mr. Speaker, unemployment in Ottawa, the national Capital, rose to 7.8 per cent in February, a 21 per cent increase over the preceeding month.

We now have 5,000 more people out of work than the 33,000 we had in January.

The number of bankruptcies among consumers in Ottawa rose from 527 in 1984 to 1,214 in 1990, a 130 per cent increase.

Over the same period, business banckruptcies increased by 80 per cent, from 174 in 1984 to 314 in 1990.

[*English*]

The Tories have already hit their predicted unemployment high rate for 1991 at 10 per cent. We got that news last Thursday. As a matter of fact they have exceeded 10 per cent. Ontario has its highest unemployment rate since August 1983, at 9.5 per cent. Canadian employers and employees will pay an extra $2 billion over the next year in unemployment insurance premiums to pay for Tory mismanagement.

Who knows what is in store for the next few months? It is true that the Tories have no desire to stay in office because they are trying to destroy not only the economy of this country but many other things. Under Tory management, productivity in Canadian manufacturing is declining. Between 1985 and 1988 the level deteriorated compared to other leading industrial countries. The Canadian Manufacturers' Association, no friends of ours, estimates that 180,000 manufacturing jobs will be lost by the time this recession hits bottom. It estimates that half of these jobs will be permanently lost.

The quality of Canada's job training will be another important ingredient in our future prosperity. The Tory government has chosen to make a $100 million cut in the Canadian Jobs Strategy, designed to help Canadians retrain and adjust to a changing labour market. A recent Coopers and Lybrand study stated, and I quote: "Canada suffers from a shortage of skilled trades workers. Furthermore the lack of a universal system for trades training and certification in our education system has produced a work force whose skills sets do not match the technology needs of today". These are some of the problems.

Statistics Canada found on apprenticeship programs that almost half the participants dropped out in Ontario. *Toronto Star*, March 6, 1991, a few days ago states: "Drop-out rate across Canada is 40.6 per cent or 49,620 dropped out in 1986–87". In Ontario, my province, the rate rose to 42.3 per cent or 60,320 people quit training, abandoned. The main reason given was dissatisfaction with the program.

This is totally unacceptable from a government. In 1985, the Ontario government, a Liberal government, in a discussion paper noted crucial steps Canada must take to improve its job training system: one, design and support a comprehensive world class training system that matches our competitors; two, make training an unequivocal and integral part of our industrial development objectives; three, ensure fair and equal access to quality training for individuals in the cross regions and businesses. The paper concludes: "The government should take the lead in developing socially appropriate and industrial superior training and that the real level of federal financial support must be sustained and enhanced".

I notice, Mr. Speaker, that you indicate my time is over. Mr. Speaker, a nation that abandons training and development of its youth abandons its future. I suppose that these Tories over there do not care, but we do on this side and the quicker they get out of there, the quicker this country will get back on its feet.

The Acting Speaker (Mr. DeBlois): Five minute question and comments period.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I just want to correct some of the impressions left by my hon. friend concerning science and technology in Canada. Since 1984–85 we have increased spending on science and technology from $4.1 billion to $5.5 billion in the current year, a real increase of 8 per cent.

My hon. colleague again mentions financing of R and D in Canada.

I think he should be wise enough to know exactly where the difficulty is. If he looks at public sector spending—presumably, that is what he was concerned about and criticizing—he will see that in the latest figures I have, 1987, Sweden spent .73 GDP; Switzerland, .51; Japan, .6; Germany, 8.2; U.S., .45; the U.K., .46; Canada, .56; and Italy, .60. We do not do too badly in terms of public sector spending here.

The real problem comes if you look at the industrial component. Let me just rhyme off a few of those for his edification, Mr. Speaker. The industrial spending as a percentage of GDP: Sweden, 1.82; Switzerland, 2.27; Japan, 1.97; Germany, 1.82; U.S., 1.27; Canada, .57.

It seems to me that one of the reasons the private sector is having difficulty is that it had to struggle for years without the proper incentives or, indeed, without the proper programs to promote science and technology,

and research and development, something this government has set about correcting.

Mr. Gauthier: Mr. Speaker, I am pleased to have the minister in the House taking me to task.

One of the points that I wanted to make in my speech but that time did not allow was that this government has even shattered the dreams of Canada's top scientists in the matters of research and development.

The Ottawa Citizen noted on December 15 that few of the promises the Prime Minister made when he phoned the National Advisory Board for Science and Technology for which the minister was responsible in 1987 have been met. While the board urged the Prime Minister to increase the percentage of GNP spent on research and development from 1.4 per cent in 1987, it has fallen to 1.28 per cent, less than any other industrialized nation.

Here is the Minister of Science and Technology. Maybe he will get up and defend that record. In research and development terms, Canada is a third world country. What kind of future can the people of Canada expect with a Prime Minister who does not keep his promise? He failed to keep his promise to the scientific community and also fails to keep up with research and development so essential to developing the jobs in this country.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I am from Montreal, and in Montreal, as you know, we have 14 per cent more unemployment. If I have time to speak in this debate, I will tell you how disastrous the situation is. In fact, there are more unemployed workers in Montreal than in all four Atlantic provinces.

I listened to a description of the situation in Ontario, and I wonder whether the hon. member could tell us about these three points—he told us he had three points he intended to make—so I would like to hear about the third one, because this is, of course, an opportunity to find out a little more about what is happening in other provinces. My speech, if we have time, will be about the situation in Montreal, but I wish the hon. member would tell me what the last point was he wanted to raise in this House.

The Acting Speaker (Mr. DeBlois): The hon. member for Ottawa—Vanier has one minute to answer.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to thank the hon. member for Saint-Denis.

I would have liked to talk about training. I started talking about that but I didn't really have time to elaborate. I would have liked to talk about education. We have a problem in Ontario, Mr. Speaker, at the secondary and postsecondary levels. The drop-out rate among our students is disturbing. Health care and housing are some of the concerns of the people in my own riding and of people throughout the province.

They also want a strong, central government. And I know that the hon. member for Saint-Denis and Montreal is in favour of a strong, central government. The Conservatives are leaving us a government that is tax hungry. The Minister of Finance has refused to say anything about tax reform. Just imagine, where we are heading. We have the Minister of Finance who will not tell us what lies at the heart of this so-called tax reform.

As far as Ontario is concerned, I would have liked to talk about all that, but I am running out of time. I will get back to that later.

The Acting Speaker (Mr. DeBlois): Resuming debate.

• (1640)

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, perhaps I should revert to the last intervention of my colleague from Ottawa—Vanier who referred to drop-outs and housing problems. If he thinks these problems are peculiar to Ontario I can tell him that we have them in Quebec as well. I would remind him that even though the federal government is not responsible for education, it has made concerted efforts—vocational guidance sessions, among other things—which I think are one way of indirectly helping people who would otherwise drop out of the school system.

That being said, I would suggest that the motion before us today deals with the priority objectives of government economic policy. The first two parts of the

motion relate to a very important issue: competitiveness in our economy.

Enhancing Canada's competitiveness has been one of the government's foremost concern since 1984. The budget tabled by the Minister of Finance last February 26 made us look at the matter from a new vantage point. I want to debate that aspect of the motion in light of the budget and the strategy of the economic policy which the government has been steadfastly pursuing.

The 1991 budget responds to the twofold competitiveness and prosperity challenge facing Canada. We Canadians enjoy one of the world's highest standards of living and an unprecedented quality of life, but we have no guarantee that these conditions will remain unchanged. No longer can we rely on such factors as may have accounted for past successes if we want to continue to better our living conditions and our quality of life.

We have to get back on the road to economic recovery, but we must go one step further and achieve economic prosperity. To this end, Canadians are expected to co-operate more efficiently in a prosperity partnership which will seek to face up to our competitors' challenges.

As the world economy grew ever more competitive, Canada lost some ground as our trade partners became more aggressive on international markets. Trends in productivity remain one of the most telling indication of what Canada can expect in terms of economic challenges. Productivity growth spells higher standards of living for Canadians. Unfortunately we are not as productive as we once were, a fact to which my colleague in the opposition referred to a moment ago. To put it another way, we are finding out today that Canadians are less and less efficient at producing goods and services.

From 1974 to 1989, over-all productivity growth slipped to 25 per cent of the average level for the 20 preceding years. It did not go up at all during the first half of the 80s. With respect to labour competitiveness in the manufacturing sector, in the last 15 years Canada dropped from second to fifth among the industrialized countries of the Group of Seven.

In fact, Canada is the G7 country which recorded the lowest productivity growth over the last six years. My other colleague said earlier this is because we have gone down. No! We managed to improve our productivity in the manufacturing industry less than other countries and this, in spite of our strong economic growth. Such competitors as West Germany, Italy and France have not only equalled but exceeded our level of productivity.

Policies implemented in Canada in the 1970s and 1980s, have undermined its long-term productivity. A change of direction was necessary. The 1984 economic Recovery Plan described the economic challenges which Canada had to meet and the steps taken later on have helped create a framework much conducive to productivity enhancement. The Economic Recovery Plan stems from the wise realization of a need for basic recovery aimed at bringing about sustained growth and productive employment. Before laying out the solid foundations necessary for this renewal, the Canadians and their government joined forces to develop and implement an action plan to eliminate the many obstacles to economic growth. This action plan started off with energy and determination in two major closely connected directions.

First of all, federal program policies had to be changed to make it possible for the private sector to become the motor of economic recovery in an increasingly competitive international market. To support growth in the private sector, Canadians had to focus on change and progressively adopt a new positive approach towards entrepreneurship and adjustment to new market realities.

In some cases, this resulted in less regulation and government intervention. In other cases, it resulted in a reduction of subsidies and other government expenditures which were detrimental to a wise allocation of our limited resources. In others still, it resulted in a redirection and reinforcement of government activities necessary to support growth and adjustment. This was especially required in the areas of research and development, exports and investments, especially in the case of small-and medium-sized businesses.

On the other hand, Mr. Speaker, we had to address the federal deficit in order to control the constant increase of a federal debt resulting from past squanderings. In order to reduce the deficit, it was necessary to systematically and consistently limit the increase in federal spending. We had to carry out a thorough

examination of federal spending in all sectors, including economic and regional development, social programs, federal-provincial transfer payments, public assistance to development and defence. All this in order to develop a system plan for slowing down government expenditures, while modifying the composition of the latter to reduce to a minimum the negative impact of budget cuts on the economy.

This action plan had to be fair, and it was. Some of the changes necessary for economic recovery represented a form of shock treatment. The pill may have been difficult to swallow in some cases, but it remained at least palatable when all economic groups or regions accepted to carry their fair share of the burden.

As early as 1984, it became clear that the refusal to change was no longer possible in Canada. If Canadians were adverse to the very notion of change, they were nevertheless aware that their refusal would prevent Canada from seeking solutions for renewal. If all Canadians wanted to avail themselves of the benefits, they all had to share in the effort.

It feels good and reassuring to see that Canadians were able to meet the challenge issued to them in the Agenda for Economic Recover and that their support spearheaded the crucial changes and innovations that have been and still are implemented by our government.

Also ensuring Canada's competitiveness are our vocational training and education programs which are well-suited to our economic situation and which considerably contribute to our prosperity.

A highly educated and trained work force adapts rapidly to new situations, thrives on working with new technologies, and is capable of becoming more directly involved in promoting the success of the firm. A highly skilled work force will naturally develop a more direct stake in its own productivity performance. In recognition, Mr. Speaker, of the growing importance of a skilled labour force, the government has been shifting its training focus, through the Canadian Jobs Strategy and unemployment insurance reforms to achieve a better balance between passive support and active training for the unemployed. In April 1989, the government launched a major new initiative to increase its effort in the field of training. However, it will take time before the benefits of the Labour Force Development Strategy become apparent. Particular attention is being given to apprentice training for the young, which varies widely in quality across the country.

The competitiveness of a nation's tax system, which also plays a major part in the overall competitivity of a country, should be judged according to two fundamental criteria: the effectiveness of the system in raising revenues to fund the provision by government of important goods and services and to support a sound macroeconomic environment; and the ability of the system to raise revenues in ways that minimize interference with private decisions and the efficient operation of markets.

• (1650)

Judging by these criteria, Mr. Speaker, the Canadian tax system, such as it was in the mid 1980s, was an obstacle to our competitiveness. The high level of nominal tax rates and the narrowness of the tax base were the results of the many tax incentives granted during the previous 15 years. However, these incentives turned out to be inefficient instruments of public policy. They caused a major drop in public revenues, without a parrallel increase in economic activity.

The tax reform initiated by this government has brought income tax more in line with that of other countries and enhanced the overall structure of the tax system. Structural changes have broadened the tax base, lowered the nominal tax rates and reduced to a minimum the number of distortion-creating incentives.

The replacement of the manufacturers sales tax—an obsolete tax, harmful to the economy—by the goods and services tax was another important structural change in our tax system. The former tax increased the cost of goods produced in Canada and thus favoured imports. Having eliminated these problems, the GST is playing a key role in improving our competitiveness.

Right now, Canadians are more and more concerned with their ability to compete. Their fears are being fueled by macro-economic issues like inflation, interest rates and exchange rate, or by structural problems like investment efficiency, overegulation, and business climate.

It is incumbent upon governments to devise a framework conducive to the development of competitive companies. The 1991 Budget contains measures meant to restore fiscal balance and to move towards price stability. This will lead to a stable macro-economic climate, a renewed confidence in the Canadian economy

and a strengthening of the Canadian capacity to compete in a merciless economic world.

By collaborating to devise a common approach to fundamental economic problems, the federal and provincial Ministers of Finance are currently studying the growing cost of government as well as the various overlappings and duplications. Furthermore, at the request of the Prime Minister, the Economic Council of Canada is carrying out a major study of the impact of governments on Canadian competitiveness.

During tax reform, a number of incentives that enhanced the overall competitiveness of the economy were retained. It will be necessary to continue to review the operation and targeting of these incentives and consider possible improvements.

In particular, the government will be examining whether modifications to the R & D tax credit could ease its administration for taxpayers. It will also examine whether the tax system can be changed to remove potential impediments to the operation of capital markets in Canada. In this Budget, the government is proposing measures to remove the tax-induced bias against pension funds investing in common equities in Canada. This will stimulate share purchase, which would make Canadian businesses more competitive.

More will have to be done, however, to ensure Canada's future prosperity. We need to look hard at the quality of our investments in infrastructure, machinery and equipment, training, education, and research and technology; at private sector spending on training and research; and at other areas, such as education, where our level of spending compares well with international standards but our performance appears to be falling behind.

This is not an issue only for business, labour and government. All Canadians have an enormous stake in strengthening Canada's competitive ability by identifying the problems and developing solutions.

The government will launch a national effort to build a new partnership for prosperity that draws fully on the talents and efforts of Canadians in every sector of economic life. A discussion paper will be released in the spring to help focus public debate toward the building of a broader consensus on the problems Canada faces and the development of solutions.

Through structural initiatives implemented by the government, combined with selective measures that reflect real will to get in tune with a changing economic situation, I am convinced the economic recovery is close at hand. The continuous decrease in interest rates over the last few months combined with the end of the conflict in the Persian Gulf, which will bring oil prices down and rebuild consumer confidence, will be the engine that starts recovery. We have every reason to believe that, spurred by those incentives, growth will be vigorous once again before mid-year.

The February 26 budget of the Minister of Finance is a major step toward the realization of competitiveness and prosperity objectives. It is a watershed budget, that institutionalizes the key elements that will ensure financial stability for years to come. It will make the country stronger and more prosperous, able to assume its proper leadership role on the international economic scene in the best interest of all Canadians from coast to coast, of all children and generations to come.

The Acting Speaker (Mr. DeBlois): Ten minute question and comment period.

Resuming the debate with the hon. member for Davenport for a ten minute period.

[*English*]

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, it is very interesting to listen to the learned interventions of colleagues on the government side who inevitably, one by one, have concluded their interventions by expressing positive thinking as being the solution to our economic ills. It is reminiscent of some religious movements whereby if one believes it firmly enough and intensively enough a miracle will happen.

I am not sure whether this is the way to reduce the unemployment rate in Canada today nor whether this is the manner in which the role of government ought to be developed on behalf of Canadians. The reality unfortunately is not one that we can write home and gloat about.

We know from Statistics Canada and from independent sources, which are not partisan in nature, that between December 1988 and September 1990 some 108,000 jobs in Canada have been lost in manufacturing. We know that by contrast the jobs promised as a result of the free trade agreement were 500,000, in the opinion of the Prime Minister.

We know that while the tax burden on corporations in the last five years has gone up 28 per cent, the tax burden on individual Canadians has gone up 62 per cent. Evidently, this has an effect on the ability of Canadians to spend, to consume and to keep the economic wheel turning. This is a remarkable differential in tax burden that has to be brought to Your Honour's attention.

Among industrialized nations we find that our standard living has gone from second place to eighth place. We find that between 1986 and 1990 in terms of sheer competitiveness, which is the latest political expression or the latest political concern when we want to describe our ability to function properly on international markets and on our domestic markets in relation to imports, we have fallen from ninth place in 1986 to sixteenth place in 1990.

• (1700)

This is a very serious slippage, if not a very serious drop, that must be highlighted; evidently something is going wrong. In an attempt at least to interpret the causes of unemployment, we must identify the roots, and this is one of them, obviously.

If you do not want to look at competitiveness, Mr. Speaker, I would urge you to look at research and development efforts. In that case, you will find that from the 10th place in which we were among the industrialized nations in 1984 we are now, in 1990, in 17th place. Here again something is not functioning properly. Should we blame the government for that?

I see the former minister in charge of science in the Chamber. Perhaps he may have some thoughts as to why we have gone from 10th to 17th place. If the public sector has been cut consistently and repetitively by seven consecutive Conservative budgets, then it would be interesting to know whether that slippage has been picked up in the private sector; and if so, where?

However, according to total accounts, nation by nation, in combining private and public, we seem to have performed very badly. We have gone from 10th to 17th place. One has to ask oneself, in light of 10.2 per cent of the Canadian workforce presently unemployed, what is it that makes this happen? We have to conclude that the strategy of this government is not working.

We heard earlier from the Minister of State for Finance and Privatization about his profound belief in the marketplace. When I asked him, since he so profoundly believes in the marketplace and its wonders, to explain why in this latest budget the government has removed the instrument of collective agreements, which is a marketplace instrument, from negotiations between the government and federal employees, he did not answer that question. So there are contradictions within the government's attitude to let the marketplace do it.

Second, in our reliance on investment, we have increasingly relied on foreign investments.

Third, in removing trade barriers, we have exposed jobs and companies to competitive forces which are stronger than their ability to deal with them.

Fourth, we have seen over the last six years an intensification of the belief that government should be doing what big business tells it to do. This has come across in a variety of ways, and we witnessed that particularly intensively during the last election when it came to the free trade debate and the role of the BCNI, the Business Council on National Issues.

We also have to bring into this ever-enlarging equation the fact that since the government took over in 1984, there have been over 4,000 foreign takeovers and not one single application has been rejected. In other words, Canadians and Canadian capital are increasingly losing control of the Canadian economy, because control of the Canadians economy is the result of the foreign investment policy of this government, which is more and more in the hands of foreign investors.

In some cases we have seen also the irony of Canadian taxpayers having to pay for some takeovers, such as occurred when Boeing bought de Havilland and subsidies had to be paid to Boeing in order to make the takeover more attractive.

We have to take into account the fact that unemployment insurance, as a result of Bill C-21 has been privatized. It is no longer an institution in the hands of the government as far as its funding is concerned. We have to conclude, regretfully, that the regional transfer

funds have been reduced, that the training for the unemployed, as projected, has been reduced by $100 million at a time when unemployment has exceeded 10 per cent.

The government has on a variety of fronts attempted to diminish the universality of several important social programs. As I said earlier, the 500,000 jobs promised by the Prime Minister flowing from the free trade deal have not materialized.

I will conclude by making this point. In the first year of the free trade agreement operations, 179 Canadian corporations were taken over. Obviously, when a Canadian corporation is owned by a foreign company in difficult economic times, what does it do? The first thing that happens is the parent company closes down the subsidiaries abroad. This is in part what is happening in Canada in the over-all picture.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I want to congratulate my colleague on a very good speech. We on this side realize very well that this government is not paying attention, that it says one thing and always does another.

I want to remind my colleague of the promises made during the 1988 debate on the effects of the free trade agreement and the promises of adjustment funds and job creation initiatives on the part of the government to help ease the transition. Perhaps my colleague would like to add comments concerning these questions.

Mr. Caccia: I thank my hon. colleague from Sudbury. I have also been looking around for the instruments the government would be looking to in order to make unemployed people employable, provided they have a skill, by way of improved education and training skills of our work force.

Today, unfortunately, we have to conclude—and on the basis again of international studies—that Canada is less well-equipped than it was six years ago to meet the challenges of the future, because of budget cuts, which are really made and invoked in the name of a financial deficit, without taking into account the human deficit these cuts are causing, because of people remaining idle and unable to be productive, to maintain themselves and their families. Thus, the losses that are, in human terms, inflicted upon people because of an enormous preoccupation with an illusive deficit cut which this government has not been able to come to grips with, while at the same time allowing a human deficit to expand and to increase enormously day by day and month by month, as a result of such narrow-minded policies.

• (1710)

The *Report on Business* from *The Globe and Mail* cannot be cited as a revolutionary source of data. In the March issue, on page 30 is the lay-off list expected by *The Globe and Mail* business magazine for Canada over the next while, and the figures are astonishingly depressing.

Between the big three automakers, there is a projected lay-off of 14,000; in the steel industry, an estimated 3,000 to 4,000; Air Canada, 3,000; Canadian National Railways, 2,200; Rio Algom, 1,700; Pratt and Whitney Canada Inc., 1,200; Sears Canada, Shell Canada, Imperial Oil, forest products, you name it, a phenomenal number of projected lay-offs which will occur in our economy, as predicted by an organization which has its feet solidly on the ground.

Evidently the solution would have to come from the proposal just outlined by the member from Sudbury. We are waiting for the evidence on the part of the government to prove to us that it intends to proceed along those lines.

Hon. William C. Winegard (Minister for Science): It will only take me a minute, Mr. Speaker.

I just cannot help but comment on what an interesting reversal we have; all these comments from our colleagues on the Liberal side talking about training, et cetera. I cannot help but remind them that they were the group that held up Bill C-21, they were the group that patted their Liberal colleagues on the back, they were all such a grand bunch of ladies and gentlemen down there, holding up Bill C-21; $800 million worth of training funds held up by them because they were so concerned about training and education.

This is the same group that in 1977—and I say this to my colleague from Sudbury—gave away the Government of Canada's right to direct where EPF was going to go, gave it away as a block so the provinces could use it on highways or on anything they wanted. This is the same bunch now moaning all these marvellous things about training and education.

There is a word I cannot say in this Chamber, but, oh my, it does reek a little.

Mr. Maurice Foster (Algoma): Mr. Speaker, This is perhaps one of the most important resolutions to be put before this House this year, because it deals with not only the recession that we are facing due to the government's policy, but the actual deindustrialization of our nation. There is no area of the country more affected by this deindustrialization than the province of Ontario.

Clearly, the important groups right across the country have talked in terms of 229,000 manufacturing jobs lost as a result of free trade and the government's policy. We do not say that all of these jobs are lost because of the free trade deal itself, but because of the general economic policy of the country.

The Governor of the Bank of Canada has taken it upon himself to decide that Canada's inflation rate is going to be zero, or 2 per cent. Surely the industrial policy of the Government of Canada should not be decided solely by the Governor of the Bank of Canada. Clearly the government's economic policy, its monetary policy, its fiscal policy and the free trade agreement, during the period since 1989 when it came into effect, have resulted in the most drastic and dramatic loss of jobs of any period in our history.

Members of our caucus from northern Ontario had a series of hearings throughout northern Ontario in the past couple of weeks. We heard from groups all over the north from some eight different communities during a five-day period in which they talked about the absolute ravaging of the manufacturing industry for softwood lumber. That is all part of the free trade deal.

The imposition of an export tax of 15 per cent is bad enough, but when the dollar rose from 74 cents—whatever it was—in 1986 to 87 cents in this past couple of years, the impact is not a reduction of 15 per cent but one of 30 per cent.

A report arrived just today on members' desks which outlined the levels of the export tax which have been imposed on this industry during the past year. I believe the figure is something like $18 million in the province of Ontario alone.

Its impact is that practically every part of the softwood manufacturing industry in northern Ontario is either shut down today or is on very slow turns of work. That area has been deindustrialized. One of the largest producers, the Buchanan group in Thunder Bay which has 3,200 forest products workers of the 6,000 in the softwood lumber section, told us that if many of these plants do not reopen by April, they will never reopen. They are one of the largest manufacturers. We see how that whole area has been ravaged.

As well, I want to talk about the mining industry and how the government has effectively removed all its support programs for exploration and development so that we see communities like Elliot Lake or Timiskaming which have lost several thousand jobs in the last two years. There will be no new mines coming on stream in the years ahead because there is no exploration and development taking place in those areas of northeastern Ontario.

The numbers involved are very large. We are talking about 15 per cent of all the mining jobs that have been lost in the last two years in northeastern Ontario and northwestern Quebec, something approaching 4,000 at least.

I was very concerned in the budget because the government has cut back by some $100 million in the new training budget at a time when literally tens of thousands of Canadians are being laid off from industries that have been obliterated or destroyed by the free trade deal.

What we need to be doing is retraining those workers to take on new jobs, new tasks and new opportunities. In my own community of Elliot Lake, we lost some 2,250 direct mining jobs last summer and probably another 1,500 or 2,000 in the service sector.

At the present time, we have 500 people on UIC benefits. We have another 700 on training, either pre-vocation or vocational kinds of training. Last week, we were notified that we would have another 1,000 people laid off this Friday for a six-week period, to be repeated again by a seven-week period this summer with 400 being permanently laid off.

We are talking of an industry losing some 3,300 jobs against a total workforce of 3,900 a year ago or 80 per cent. This for a community of 13,000 or 14,000 is simply a desperation situation. It is desperate.

I ask the minister today if she can give a commitment that the payments would be made within a couple of weeks of when people qualified for the UI, because they are being told by their UIC office in Elliot Lake that they have got to wait a minimum of six, seven or eight weeks.

Surely, that is unreasonable for 1,000 employees who have had little over a week's notice of the lay-off.

Equally important is the question of funding for training and retraining, job search, mobility and community adjustment because the impact is not only on those industrial workers but equally on those people in the service sector.

• (1720)

We are facing the most cataclysmic turnaround in industrial job unemployment that I can recall. I think it is worse than the 1981-82 recession. Clearly, we are coming at it from a much lower base in terms of job situations. In the 1981-82 period, of the 83 megaprojects across Canada, five of those were located in my constituency at that time. We have no megaprojects, we only have lay-offs and a desperate situation. The same situation applies in Sault Ste. Marie where we have had very significant lay-offs. We have a steel industry there which, as the whole steel industry in this country, is in a very desperate, sick situation.

Much of that is due to the government's economic and fiscal policy. You simply cannot compete in the United States market with the level of interest rates 5 per cent above the United States and a dollar at 87 or 86 cents. On top of that, in the free trade deal the people in the steel industry in Canada, whether it is Dofasco or Stelco or Algoma, all believe that they would be relieved of the threat and the problems of countervail. In fact, that has not happened.

Since 1989, we have had countervail imposed on steel rails. We have had countervail duties imposed on seamless tube pipes. It has made them unsaleable in the United States and that, combined with the high dollar, has just had a devastating impact on that industry. The entire industry is facing collapse, certainly at Algoma. This is mostly due to the government's policy and the broken promises of the FTA.

This resolution today really pin-points the folly of the government's policies: the fiscal, monetary, trade and tax policies. It is having a drastic and devastating impact on our industry and business in this country, but, most important, on the workers of this nation, the 1.4 million who are facing unemployment, loss of jobs and no retraining programs.

I think it is a desperate situation. It is one that requires action by this government and one which the budget does not address. It simply exacerbates the situation because it calls on provincial governments and municipal governments to pay higher taxes, increasing the adverse economic impact on the entire nation.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I compliment my colleague from Algoma for bringing to the attention of this House the dilemma in which all of us in northern Ontario find ourselves.

I have sat on several committees with my colleague over the last several months where we have discussed those areas of the economy in Ontario that are truly affected, especially the area from which he comes. What I am talking about in particular is the softwood lumber industry. He has had several mills close in that area, as he has relayed in his speech to the House.

I would ask the member to relate what he saw happening, firsthand: the anguish and pain of individuals in the community, because of the families involved, the lack of work and without the proper training to go to another job even if there was another job to go to, in the softwood lumber industry. Could he tell us also about the terrible anguish that the community of Sault Ste. Marie is now facing because of the potential closure of its largest employer, something that would destroy not only 8,000 primary jobs in an industry that has been so vital to the future in the community of Sault Ste. Marie. Could he relate to us, in this House, the personal anguish and the personal pain that each family is experiencing because of this terrible economic policy that is affecting all of us in the north but, particularly, in Sault Ste. Marie and the district of Algoma of which we look upon in Thunder Bay—Nipigon as being part of our area.

Mr. Foster: Mr. Speaker, I thank my hon. friend and colleague from Thunder Bay—Nipigon for his question regarding the softwood lumber industry. It is an area that is common to both of us, although clearly in his community they have one of the largest softwood conglomerates in the entire area of northern Ontario.

The presentation that was made to our task force on the northern Ontario economy in Thunder Bay by a representative of the Buchanan Group perhaps was one

of the most poignant. It is a case of representatives of the industry not knowing which way to turn. They know they are not viable the way they are. They do not understand why the government is willing to leave the export tax in place. They do not understand why the government has continued to push the dollar so high. There is a lack of confidence that there will be any out for this. At the same time the bankers and lending institutions are coming by to examine the books of these companies to see if the whole thing is viable.

When we get to the point of putting the question to the Minister for International Trade as to whether he is going to go to Washington and make a decision to abrogate this agreement or to negotiate out of it, it all turns to mush. There is just no decision to do that.

At the same time communities are crumbling. There are lay-offs that take place and people have to wait for six or seven weeks for their unemployment insurance benefits. They do not know how long this is going to take place.

It is the same for the laid-off workers at Algoma Steel in Sault Ste. Marie. They say: "Well, we are getting UI initially, at least, but we have no confidence in the future as to whether the industry is going to continue to operate". I think that is true throughout the north for the softwood lumber industry. Will the industry be there? Will the shut-down that is supposed to last for a couple of months last all summer, last all fall? They do not discern any commitment by the government to come to grips with the problem. They know that the companies are strapped. They have no borrowing power. Their line of credit is right up to the limit. So it is a directionless situation. Do they jump and try and get—

The Acting Speaker (Mr. DeBlois): Order, please. The time for question and comments is over. Resuming debate.

[*Translation*]

Mr. André Plourde (Kamouraska—Rivière-du-Loup): Mr. Speaker, as Parliamentary Secretary to the Minister of Industry, Sciences and Technology, I am pleased to rise on the motion introduced by the hon. member for Willowdale. I am happy to do so because we all know that Canada's economic competitiveness and future prosperity are an excellent discussion topic requiring the involvement and the knowledge of every hon. member and every Canadian.

But most of all, I know that that debate will provide me and my colleagues with the opportunity to show how much we care for the Canadian competitiveness. In spite of all false contentions, Mr. Speaker, the government's commitment to make a strong and prosperous Canada during the 1990s and beyond is unprecedented.

Sciences and technology are crucial to increasing Canada's competitive edge and economic prosperity. Technological research and development are the great factors of growth in a world economy characterized by innovation and the spreading of knowledge.

The key to innovation is the skills and knowledge of our people. Benefits will accrue to men and women who will make the best of their kowledge and their skills to design, develop and create new or improved products, processes and services as well as to open up new markets.

• (1730)

Mr. Speaker, our government believes that Canada's prosperity is based on five pillars: access to international markets, effective management of our human ressources, a better corporate financial situation, a corporate culture characterized by competitiveness, and a climate enabling us to benefit from science and technology.

In each of these sectors, Canada has a challenge to face. Most of these challenges are not exclusive to Canada. They are universal, created by rapidly changing international markets and an unprecedented pace in technological development.

We, as a government, are determined, to do what must be done to place Canada—that is, its industries, its scientific and research institutions, as well as all its citizens— in a position to transform these challenges into prospects for the future. We are doing so by using the best possible strategy. We have all learned the hard lessons of our predecessors' approach. They tried to fix everything with grants, but we have seen that such an approach leads nowhere.

We have followed a complete and judicious set of priorities, established to promote excellence in the field

of science and technology, and to help Canadian corporations become more innovative and competitive.

Our priorities, Mr. Speaker, are to preserve and to increase, as far as possible, the ability of Canada to undertake pure research studies, to heighten its capacity to carry out applied research, particularly through the pooling of government, industry and university resources, and, maybe still more important, to noticeably step up research and development from sea to sea. Each one of these priorities is based on our commitment to an education of international standard; in other words, to the creation and preservation of a pool of highly qualified men and women which our country will need to be a winner.

As I have just said, Mr. Speaker, I am happy that this debate gives us the opportunity to clarify some misconceptions, some myths. With your permission I should like to consider for a few minutes one of the latter, which is particularly common, that is the myth that government support to science and technology is inadequate.

Quite frankly our level of support to civilian research compares with that of all other major industrialized countries.

Mr. Speaker, government expenditures in science and technology have been steadely increasing, from 4.1 billion dollars in 1984–1985 to about 5.4 billion dollars in the current fiscal year, an increase of more than 33 per cent. Looking at this science and technology envelope, we see that research and development expenditure went from $2.4 billion to $3.2 billion an increase of 30 per cent. Such increases exceed the 25 per cent growth in total program spending which clearly indicates that science and technology, as well as research and development, are an absolute priority for the federal government.

This increase in research and development spending went mostly to industries and universities. Federal spending in industrial research and development went from $422 million to $776 million, an increase of 85 per cent.

Our university research and development expenses increased by 34 per cent, from $538 to $721 million. Mr. Speaker, would any government do that if it refused to make commitments?

This trend will continue because research and development will remain one of our priorities. The recent budget provides that grants and contributions for science and technology will increase by 3 per cent annually starting in fiscal year 1992–93. Over a period of 4 years, this increase will result in a financial support of some $1.5 billion more thant present expenses for new or improved initiatives in science and technology.

You should consider all of this and the fact that the Conference Board of Canada acknowledges that the financial support we provide for research and development through our tax system is one of the most generous in the world. Yet, misconceptions continue to spread around. I am really puzzled. I think our critics are just badly short–sighted or lack good faith.

I will forget about monetary matters if I may and concentrate on the approach of our government to research and development promotion.

A very good example is the centres of excellence program. This program which includes participation by over 500 researchers from 35 universities and 37 major corporations, provided a total of $244 million in federal funds available to 15 networks.

It should be emphasized also that the purpose of these networks is not only to encourage research and development but also to ensure that our capacities in this area are used to foster such economic and social objectives in Canada as reinforcing our industries' competitiveness and promoting a better quality of life for Canadians.

These networks were set up less than a year ago, but their potential is already evident. Consider for instance the important position the fishing industry has in Canada and be advised that there exists an Ocean Production Enhancement Network which could offer new possibilities for the future and make it possible for this industry to remain competitive, in spite of necessary quota reductions.

The network concerned with pest control could improve considerably the level of productivity of both agriculture and forestry while pursuing environmental objectives.

Two other networks will make it possible for Canada to confirm the reputation of excellence it has gained in the areas of space research and communications. Finally, another network devoted to research in the area of heriditary conditions and another one on nerve regeneration and functional rehabilitation will make it possible

for Canada to remain among the leaders in these two important health research sectors.

Last year, Mr. Speaker, we announced that we would allocate $35 million over a five-year period for the construction in Ontario of the Sudbury Neutrino Observatory valued at $61 million. This Canadian program international in scope will open a new vista on the universe and will make Canada a world leader in the research area of particle physics and astrophysics. In addition to encouraging scientific excellence and greater knowledge, this project will result in major economic fallouts for Northern Ontario.

• (1740)

Besides, Mr. Speaker, the Green Plan that was announced last December is very scientific and technological in nature. Three billion dollars will be used to fund a variety of initiatives related to the improvement of the environment, particularly the Great Lakes and St. Lawrence River Action Plan. A major part of these funds will be used for the development and application of scientific and technological solutions to environmental problems.

Once again, Mr. Speaker, I would like to go back to the education and training theme. The Prime Minister and this government work hard so that Canadian education standards reach the highest levels possible.

The Canada Scholarships Program, which is very successful, shows our unfailing commitment in this regard. We established this program three years ago to encourage a greater number of young Canadians and particularly women, to pursue graduate studies in sciences and engineering. The program has presently more than 6 200 scholarhip recipients and is successful beyond all our expectations.

If universities play a leading role in the promotion of the program, industry also began to play an active role this past year. Thirteen businesses are sponsoring the program and their number should increase during next year. This contribution from industry helps increase the quality and the expansion of the Canada Scholarships Program, which benefits all Canadians.

Mr. Speaker, the councils which fund university research also provide a vital contribution to the country's future by encouraging and supporting academic research and training. The programs and activities of the National Sciences and Engineering Research Council are a good example. They are among the key elements of the national strategy for promoting co-operation between industry and universities. The Social Sciences and Humanities Research Council of Canada also funds in various ways research in the field of competitiveness.

Mr. Speaker, being committed to science and technology, the government is doing everything in terms of public awareness to promote a strong science culture in Canada. With this in mind we are conducting a national public awareness campaign to urge Canadians, especially young Canadians, to become more interested in science and technology and consider careers in these disciplines; to make science and technology an increasingly important issue for the public; and to raise the level of general science knowledge of all Canadians.

Mr. Speaker, the cornerstone of our campaign is National Science and Technology Week, organized in co-operation with the provinces, the territories and various groups in the scientific and technical community. Last October was the first time we focussed the attention of the entire country on science and technology. That experience was an unqualified success. More than 600 events were organized across the country, and we expect even more next October.

Mr. Speaker, I think the present government's achievements in this area are self-evident. However, although my colleagues and I draw great satisfaction from what we have accomplished, we are aware much remains to be done.

We cannot deny private sector investment in research and development falls far short of the standard in major industrialized countries.

Although Canada has a broad resource-based industry, most Canadian businesses are small. Nevertheless, a number of large industrial sectors in this country do far less research and development than their foreign competitors. It is clear that this in turn hurts productivity.

However, technological innovations are not limited to research and development activities as such. For example, a country can ensure the spreading or the improvement of production technologies, through licence agreements, joint ventures, employee transfers within multinational corporations, or foreign machinery and equipment purchases. Canadian businesses have seemed slower to adopt new technologies than their counterparts in other industrialized countries. We must recognize the

need to promote the spreading of technology in Canada, if we are to become more efficient.

Mr. Speaker, no wonder why the efforts of the present government, in science and technology, have mainly aimed at supporting, promoting, implementing, and stimulating the private sector into making more room for innovation.

We developed programs that will help industries and scientists to work together and join their capital and resources in research and development undertakings.

Under their new mandates, government laboratories, NRC included, must now work in close cooperation with Canadian industry.

Some programs will help industry to acquire new technologies abroad and we set up new initiatives to help whole industrial sectors to overcome some of the obstacles they encounter in trying to become more competitive.

In conclusion, Mr Speaker, allow me to quote one of our relatively modest programs: the Manufacturing Visits Program. This initiative is aimed at giving companies the opportunity to visit some of our most important manufacturing centers and observe their operatious. Our Spring program can handle 150 companies. Mr. Speaker, 127 companies in only two days have already registered in that program!

I therefore conclude, that the industry is beginning to move and that it is taking up the competitivity challenge. I also conclude this government is paving the way for a competitive and prosperous Canada.

Mr. Mac Harb (Ottawa Centre): First of all, Mr. Speaker, I wish to congratulate my hon. colleague on his presentation. However, in order to clarify the situation, because he has just indicated that Canada is spending enough in the areas of research and development, I have here the annual report of the National Consortium on Scientific and Educational Societies which finally represents over 30 different national organizations, including the Canadian Association of University Research Administrators, l'*Association canadienne des écoles de titre supérieur,* the Canadian Association of Physicists. This report, of which my hon. friend must certainly have received a copy, compares the situation in Canada and other industrialized nations.

For my hon. friend's information, it deals here with Gross Domestic Expenditures in research and development expressed as a percentage of the Gross Domestic Product. Here are some the comparative data: Japan, 2.92 per cent; Germany, 2.85 per cent; the United States, 2.8 per cent; France, 2.3 per cent; Norway, 1.87 per cent; Finland, 1.8 per cent; Austria, 1.3 per cent and Canada, less than 1.3 per cent. If we compare Canada's performance with these other individual countries, my hon. colleague will certainly agree with me that we have not yet reached their level. Even if we spent a little money here and there, it is not enough as an investment for the future.

Yesterday, or the day before, Mr. Speaker, the Minister of Industry, Science and Technology was reported as saying that the private sector was not investing in the area of science and technology. I wish to reply to that by saying that the federal government's share in research and development financing compared to that of the private sector, according to this report, decreased from 35 per cent between 1981–85 to 31 per cent between 1986–90. If we also consider the levels of public investment in those fields, we see a constant decrease and no increase at all.

• (1750)

So, instead of saying that we do enough, why is my friend not asking his colleagues in caucus to invest a little more in sciences and technology so to set a good example for the private sector? I would like to hear his comment on that, to know if he agrees with the report or not.

Mr. André Plourde (Kamouraska—Rivière-du-Loup): Mr. Speaker, my first words are to thank my colleague from Ottawa—Vanier and to tell him that I did not have the opportunity to read this report. Still I want to recall some of the remarks I just made in the House and say to him that our government's expenditures for science and technology have been steadily increasing, from $1.4 billion in 1984–85 to roughly $5.4 billion this year.

Mr. Speaker, I pointed out as well that industries and universities benefited from the lion's share of higher research and development expenditures. You know, before I came here in 1984 I was in the industrial sector in the riding of Kamouraska—Rivière-du-Loup which I represent in the House of Commons. I was one of the shareholders of three companies.

Mr. Speaker, you know that before 1984 the regions in eastern Quebec—as others far removed from major centres—had government programs in research and development or science and technology. When I was working for my company and acting as President of the Chamber of Commerce we always had recommendations to make to the central government: Listen, we said, tell us more about existing programs.

Being active in a small business I had to fight to get information on existing programs. Why? Because government representatives and federal employees did not bother to visit us to tell us about the opportunities that were available. I can say, and I say it to my colleague from Ottawa—Vanier, that I made it my duty, since 1984, as representative of the riding of Kamouraska—Rivière-du-Loup and former industrialist, to make people from my constituency aware that this federal government, through its Department of Industry, Science and Technology, has programs that can help them in the area of research and development and that allow them to go and see what is going on elsewhere in Canada or in the world.

I can tell you today, Mr. Speaker, and I say it also to my colleague from Ottawa—Vanier, whom I invite to come and visit eastern Quebec so I can prove what I am saying, that in the peat industry, for example, a primary industry in my area, a lot of research and development is done, but only since 1984. There was no R&D before that because people were not aware of government programs. The Liberals did not publicize them.

Today, that firm called Tourbière Premier or Tourbière Berger or whatever works with the universities, Laval University, the Centre de biomasse du Québec, the Quebec CRIQ. Thus, research and development is still done in that sector, as in the timber industry, in the private woodwork sector thanks to the programs that exist, Mr. Speaker.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I would like to explore the words of the hon. member a little further.

Is he seriously arguing that because he noticed there was some R and D going on in his area that is a reflection of the government's involvement and its investment in research and development? Isn't that a very small sample or a very tiny basis on which to make a generalization?

In any case, that is not the question I rose to ask. The member indicated, as did the Minister of Industry, Science and Technology, that government expenditures have gone from $4 billion when this government came to office to $5 billion now. I would ask this member whether he has thought about that at all.

That constitutes a 25 per cent increase. If we look at it most generously, let us say that is a 25 per cent increase over five years or closer to five and one-half years.

Would he work out the percentage change over that period of time, reflect on its significance in real dollars, and tell me whether he really thinks, given that the inflation rate for scientific equipment, just as an example, run at about 15 per cent per annum, that this is a great development in expenditures on research and development by this government? Or, would he agree with any rational observer and recognize that that amounts to bloody little change?

[*Translation*]

Mr. Plourde: Mr. Speaker, first of all, in answer to the question asked by the hon. member for Windsor—St-Clair, I would like to refer him to my speech, where I said: "—the Conference Board of Canada acknowledges that the financial support we provide for research and development through our tax system is one of the most generous in the world. And yet, misconceptions continue to spread around."

I appreciate the fact, Mr. Speaker, that in opposition you can make figures say anything. But in his speech this afternoon the hon. member for Ottawa-Vanier mentioned how awful the unemployment rate has been since 1984. He talked about the bankruptcy rates since 1984, the high interest rates since 1984, the high inflation rates since 1984, but never did he mention the inflation, interest, bankruptcy and unemployment rates we had

before 1984, when his party was in office. But let me tell you something, as an entrepreneur, during 1980, 1981, 1982, and I am also saying this for the benefit of our NDP colleague, interest rates reached 20 per cent, 21 per cent, and 22 per cent. And because of those high interest rates, I saw people in my own constituency who had to give up their homes. If we had bankruptcies in those years, it was all because of the Liberal Party.

So you have to be careful when you compare cabbage to carrots. As far as I am concerned, I would rather look for carrots where I can find rabbits.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I think all hon. members on this side and those on that side who are neither deaf nor blind will know that my question to the hon. member was rather specific. It cited increased expenditures by this government on science from $4 billion when it came into office to $5 billion now. I asked him to do what I do not really think is the impossible, namely to do a little mathematics: divide those figures appropriately and what he would come out with is an annual rate of increase of roughly 5 per cent. The hon. member has already said, because he said it specifically, that inflation would have eaten up that increase.

In fact there has not been any significant real dollar increase in expenditures for research and development by this government and, as has been cited by almost everyone, the percentage of the gross expenditures for research and development attributable to the government has fallen from roughly 25 per cent when this government came into office to roughly 19 per cent now, while the industrial rate of expenditures has increased to around 50 per cent from 47 per cent formerly.

The hon. member, as enthusiastic as he may be, has not paid very much attention to the facts.

This debate, generally speaking, is about this government's economic policy. It addresses such issues as the high interest and the high dollar policy and it looks at support for export promotion in science and technology, and research and development as significant elements in any economic policy and condemns in effect the government for its failure in these areas.

• (1800)

I hope I will have time to say something about the area which is of most interest to me within the context of this debate, but I think it would be useful to consider the impact of this government's policy on one single city in the country: Windsor. Windsor of course is a community highly dependent on the automobile industry. It is a part of those three or four cities that have a very large measure of impact on the entire Canadian economy. In fact, if one wanted to anticipate the results of this government's economic policies, one should have looked at Windsor a year ago.

What is the situation now? Using the February figures we obtained from the Canada Employment Centre, the unemployment rate in Windsor was 17.6 per cent. In other words, one person in five was unemployed. If we take into account those people who were unemployed due to so-called temporary lay-offs which amounts to about 4,000, there being about 24,000 people unemployed, we still have an unemployment rate of 14.1 per cent.

These unemployed people are going to the unemployment insurance office where there are not enough public servants to serve their needs. A consequence of that is that they are waiting around to get their benefits and meanwhile social assistance in Windsor has to pay the cost. It issues the cheques and runs back and pays it back and all kinds of rigmarole. We should also point out of course that since those people who are unemployed do not collect benefits for as long as they used to, that is another imposition on the welfare load. Of course the city is going to encounter a number of additional expenses, but let us put it down in simple terms.

The city of Windsor will realize another $1 million in welfare costs as a direct result of this government's policies. That is, January over January, 1990. The welfare cost to the municipalities in the province will rise from $5 billion to over $15 billion.

That is a reflection of what is happening to the automobile industry which is partly due to the recession this government so carefully caused because of its wrong-headed economic policy. Even beyond that, even before this recession hit, thousands of jobs were lost in the auto parts industry because the plants are moving down to Missouri and to Mexico.

That is not all. If one looks at the situation as projected by the government's own Department of Industry, Science and Technology, one finds that yet more parts manufacturers are going to go down for the same reason that others have gone down: a dollar that has gone from 72 cents in American money to up to nearly 86 cents now, has made the auto parts industry so uncompetitive that they are having a difficult time making profit margins. Roughly half are in prospect of losing out altogether.

The high dollar—not high interest rates in the Windsor area in the parts industry because they borrow the money in the United States—means that there is no research going on in an industry that only does one-tenth the amount of research done in competitive nations. This government says therefore: "competitiveness", the kind of competitiveness that has this government sending out a message to all workers that the inflation they caused by high wage demands is responsible for a loss of our competitiveness. Therefore, we have to put the cap on the Public Service as a message to all other workers that competitiveness is going to be based on low wages, because of the idiotic, economic policies of this government, that is the only way we can compete with Mexico.

Let us take another look at Windsor. Windsor had an active tourist trade. An awful lot of Americans came over to buy in our retail stores and in our restaurants. The number of Americans coming to Windsor has dropped by half. The number of Americans coming to shop in our stores and eat in our restaurants has dropped by half; a direct consequence of the high dollar. One-third of our downtown retail stores and restaurants have closed as a result.

On the other hand, with this nice new economic growth-oriented GST, Canadians are going to Detroit in droves. The number going over there to buy has almost doubled. These are the economic policies: The high dollar, high interest rates, the GST, free trade. These are the elements the Prime Minister says must be the basis for any future constitutional change. My God, I think almost anybody in Windsor would say: "Putting the Prime Minister in charge of constitutional change on that basis, is like putting Nero in the position of chief of the fire department".

Earlier I listened to the minister of science and technology, and when I think of some of the things he said, I get awfully thirsty. He made the same claim as the previous government member made earlier; that this government has done tremendous things for research and development. Really the fault lies with industry.

Well, that is true to an extent. I indicated earlier the percentage of the gross expenditures in research and development attributable to industry has in fact increased by about 5 per cent. This means, since our over-all national expenditures for research and development—that is gross expenditures at the national level for R and D—has gone, since this government was in office, from 1.4 per cent of GDP to 1.28 per cent now.

There you see it, Mr. Speaker. I can see it in your eyes. You got it immediately. If the over-all percentage of GDP that we spend on R and D has dropped since this government came into office and the percentage that was expended by industry has gone up, only one conclusion is possible. The government's expenditures have gone down.

Before the members of the Official Opposition hasten to applaud with vigour what I am saying because I am condemning the government, when the former Prime Minister under the Liberals came to office in the 1960s, we were also then spending 1.4 per cent of our gross domestic product on R and D and it quickly fell down to 0.9 per cent.

So, this is a kind of a death-bed reformation, as it were, of the Liberal Party, but I congratulate it. We have been working on the Liberal Party so that it understands the problem. It understands its sins for the past and today wants to make up for it by supporting our argument with respect to research and development and I welcome that. What the hon. minister of science and technology did not say is what the National Advisory Board for Science and Technology said, what the Association for Advanced Technology said, what the consortium said, what everybody who has looked at the issue has said, that one of the significant problems with our level of research and development supported by industry is the high level of foreign ownership.

• (1810)

The high level of foreign ownership in our industrial sector is probably the single most important reason for our low industrial expenditure for research and develop-

ment. Yet this is the government that gave us Investment Canada. "Get more foreign ownership. —do not do anything to ensure that research and development is done by them in this country".

Moments ago the hon. member said that Canada had the most generous tax arrangements to encourage research and development in the world. Oh, yes, we do. We give it to American companies. We give it to foreign companies. They take the money and go home with it.

Yet this government has installed a system for the review of foreign acquisition of Canadian businesses that has utterly failed since its introduction to refuse a single acquisition in all that time.

An hon. member: Not even one?

Mr. McCurdy: Not even one. Not even one.

If it wants to do something about our level of research and development, surely one of the things it might do is find ways of targeting those tax incentives a little more carefully, to be a little more careful about what Canadian businesses are acquired. We cannot afford any more de Havillands, or any more Lumonics, any more Connaughts, any more of the hundreds of examples that could be cited of high intensity technological industries in this country being acquired by foreigners.

Mr. Speaker, one of the most valued institutions for research and development in this country is the National Research Council. The National Research Council submitted a preliminary draft of its five-year plan. This draft was submitted by a president who was hand-picked to go in there and impose the government's priorities on the NRC. He went in with an axe and he axed, and he axed, until around 250 scientists had been lost to the NRC, in a crude and hard attack on those who had devoted many years of their lives to science in this country.

But that same president, that hand-picked axeman of the government, asked because he thought it was sensible to do so, minimally sensible to do so, in that five-year plan, for $250 million spread over five years so that NRC could adequately fulfil its mission.

They told him after the cabinet sat: "Oh, my God man, you have to cut that back". So that $250 million proposal never saw the light of day except by virtue of some good hard-working reporters-researchers who found it out. Oh, probably there was a brown envelope there someplace.

What they got after the NRC rewrote its five-year plan was $50 million spread over five years.

Mr. Speaker, I see you have that incisive look in your eyes again. You got it immediately. That will hardly keep up with inflation. In fact, if one considers what the impact is on IRAP, then you begin to get the message.

The Industrial Research Assistance Program has supported research in small and medium-size companies. It has been the single most valuable government program for the encouragement of industrial research and development.

The president of NRC said it should be funded at a level of $125 million over five years, that is to say half of all that was originally asked for. It got $50 million for the entirety of the NRC.

For those people who are interested in jobs and how jobs can be produced efficiently, it should be noted that IRAP is the most efficient job producing program the government has. It is $15,000 a job.

I would like to see that compared to Hibernia, the program under which the government just gave the multinationals $1 billion to play with. What was the cost of a single job there?

If there is any kind of consensus in this country and respect for our industrial need, it is that Canada must develop the capacity to produce value added through trade by the investment of knowledge and skills of our people.

We must become a research and development intensive country, and we must have a highly educated and trained work force. We are not doing it. This government thought that all it had to do was open up the country to free trade with the United States together with some embellishments that limit our capacity to undertake the industrial restructuring that we require, such as the ownership rules and so on.

This government has failed to do, as this resolution identifies, what is necessary to encourage industrial research and development. It is steadily eroding its own capacity to do research and development. It has launched an attack on the universities by its cutbacks in EPF. It has incapacitated the universities' capacity to do basic research. It has made it more difficult for students

to afford to go to university in a variety of ways, and it has the gall to cut $100 million from training programs.

This has been a pattern of a consistent policy of attacking those very measures and tools and institutions that are necessary in economic development.

As Peter C. Newman, the National Advisory Board on Science and Technology, the consortium and as every commentator knows, this government, rather than improving our competitiveness, is presiding over the deindustrialization of Canada. This is not a government that the Canadian people want to continue. We ask it to resign.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I listened with a great deal of enthusiasm to some of the comments that my colleague from Windsor—St. Clair mentioned.

Because he and I represent neighbouring areas of this country in southwestern Ontario, we have very similar concerns. Without a doubt, when we start looking at the situation that has occurred in Windsor, in Essex county and in Chatham and Kent counties, we have seen unlimited devastation. We have seen thousands and thousands of job losses in a very short time.

As a matter of fact since the free trade agreement came in, we have seen 4,800 jobs lost in the manufacturing sector alone. When we talk to the farm community, it is very clearly stating that this goes beyond the farm community to the financial experts who are looking at what is happening. The banks and the finance companies are saying, straight out, one-third of the area farmers in Essex and Kent County are in serious financial difficulties.

• (1820)

I listened to the Federation of Agriculture in Kent County and the Federation of Agriculture in Essex County just a month and a month and a half ago, in January. Their greatest concern was to have enough dollars in order to plant crops this year. They are not talking about difficulties. I heard statements such as a lack of direction in this government, despair, dire straits, we are under attack. These were statements that were made time and time again, not only by the agricultural community, but by the work force, the municipalities involved, the social service groups that came forward, by everyone who seemed to be there. It was a consistent bit of testimony.

Another interesting point to our region was the fact that we heard: We are cut off from Canada. This government does not care about southwestern Ontario. We are cut off from Canada by its monetary policies, its CBC cuts, the VIA Rail reductions. We see, time and time again, that not only has the monetary policy been very devastating, but communications has been reduced drastically. Now we are faced with rural newspapers, small newspapers in this country, under attack as well.

It is a fact that the agricultural community is under attack, and it is voicing that very clearly. When one-third of the farmers in the most prosperous area in Canada in farming—and may I point out that in the two counties of Kent and Essex they produced in the 1988-89 crop year $450 million worth of agricultural produce—we are looking at figures like that and saying in two counties, one-third of the farm community is really not going to make it.

Things have to be done in order to improve that situation.

We also clearly heard, and again it relates very strongly to my colleague's area, the very dire concerns about what is happening to the work force. The work force in Kent and Essex county, as I mentioned just a moment ago, lost some 5,000 jobs basically. If we look at Windsor, Windsor has suffered 36 per cent job losses, and my colleague from Windsor—St. Clair can confirm that point.

Mr. de Jong: Point of order, Mr. Speaker.

I understand that after a member's address there are 10 minutes allowed for questions and answers. I am interested in the hon. member's remarks but I noted that his question, in fact, is several sheets of paper already typed out. So he must have anticipated the question before the speech.

I wonder if the hon. member can get to the question so that some other members might also be able to pose some questions to my colleague.

Mr. Pickard: It is a shame but this time is called question and comment. Maybe this member is not aware of what this time period really is. Question and comment allows me to prepare in advance, as all Liberals do. Possibly you do not. There are comments that I have heard from you that were not prepared in advance—but

we will not get into that. However, I would like to continue with my points here.

It is very clear, Mr. Speaker—

Mr. de Jong: It is not an opportunity for you to make a 10-minute speech.

The Acting Speaker (Mr. DeBlois): I suggest that the hon. member end his remarks because other members want to make comments or questions.

Mr. Pickard: The point I am trying to make, Mr. Speaker, and I am certain that my colleague from Windsor-St. Clair has the same viewpoints because we did go through Essex and Kent counties listening to the drastic concerns that are there, heard the welfare people suggest strongly that there is absolutely no question that the federal government has dumped upon the communities with regard to Bill C-21, with the welfare rolls doubling in one year, with job losses dramatically increasing—

Mr. McCurdy: Mr. Speaker, I must congratulate my colleague for giving such insightful reinforcement to what I had already said. He said, I think, that there has been considerable job loss. There has been considerable job loss in Windsor, but what he did not say was that the status of research and development in Ottawa is of significance even in Windsor.

I just wanted the Speaker to know, because I think he would want to be informed, as I am sure my hon. colleague on the Liberal side would want to know, that I received information just today with respect to NRC that 400 scientists have applied for early retirement, the deadline being tomorrow.

Now what you have got to understand is that that is 400 out of only 3,000, roughly 15 per cent of the scientists at NRC. What that means is that this government has caused such a deterioration of morale at NRC that it has become a sinking ship and its crew are trying to get life-jackets as fast as they possibly can, and that is a reflection of this government's policy with respect to research and development.

Mr. Simon de Jong (Regina—Qu'Appelle): A very short question, Mr. Speaker. In the New Democratic Party we do not need to deliver 10-minute speeches in order to get to the question.

The question I would like to pose to the hon. member concerns as well the Liberal record because he did point out in his speech some of the omissions and sins of the previous regime. I think it is important to point these out, not in terms of any sense of forgiveness of what this government has done, but certainly the hon. member will remember the scientific research tax credit scheme that the Liberals introduced in their dying days.

I wonder if my colleague could comment on that type of expenditure of where the government, under Mr. Lalonde at that time, threw these vast amounts of money supposedly at research and development but, of course, it ended up in the pockets of lawyers and in the pockets of accountants and very little of it actually did occur in actual research.

Mr. McCurdy: Mr. Speaker, I am pleased to respond to that. I mentioned that when Pierre Trudeau took office in 1968, the GERD: GDP ratio was 1.4 per cent and it then plunged to .9 per cent.

It is important to note that the Lamontagne report, quite some time ago in the 1970s, suggested then that a GERD target of 2.5 per cent be established and accomplished. It is worth noting, for example, that between 1970 and 1977, Liberal science spending fell from $980 million to just a little over $900 million.

It was in 1977 that the Liberal government abandoned the 50/50 split for transfers to fund universities. It is notable that they were responsible for the six and five arrangement, having cost the system about $2 billion by its own action.

It is also useful to point out that some of the economic policies that the Liberals implemented during the 1970s, if the money had been used as investment for research and development and industrial technological development, we probably would not be in the situation we are in now.

Mr. René Soetens (Ontario): Mr. Speaker, it is a pleasure to participate in this particular debate today.

I note that it is moved by the hon. member for Willowdale. I happened to be in Willowdale about 10 days ago and if I presented the motion to the people that I talked to, a group of people concerned about the economics, et cetera, of the country, they would wonder where this member came up with this idea because it certainly does not reflect their opinion, and all the people I talked to were his constituents.

• (1830)

I find it somewhat interesting that he can reflect this position. In fact, many of them were critical of the job his brother did in ruining the province of Ontario.

I notice that he makes that comment in here. He says in the resolution: "It is economic mismanagement that has caused record bankruptcies, put 1.4 million Canadians out of work, and brought about the deindustrialization of Canada, especially Ontario."

It is a pity the member was not in Toronto the day I was to listen to a phone-in show on CFRB radio. It is one of the most widely listened to shows in the Toronto area. The subject matter was: What has gone wrong with the economy? What is causing the concerns of the business community, of the consuming public?

In spite of the best efforts of the radio talk show host to encourage the discussion to criticize the federal government, he was unsuccessful in the space of an hour in eliciting one negative call about the federal government. But he certainly was successful, in spite of his efforts, in putting calls on criticizing the provincial government of Ontario for the way it has taxed small business. It was in fact those callers who specifically criticized the provincial government's interference in the Ontario economy, the massive skill with which it interfered in the last five years, as being the brunt of the problem that they in fact were experiencing.

I am not prepared to simply accept that. I appreciate that there are some problems today in the Ontario economy, and I am also prepared to accept that there are problems throughout the entire Canadian economy. We cannot just throw these things away in isolation and say that there is nothing happening or that there are no attempts to improve the situation. I would like to talk about some of those things.

I have just listened to two speakers—and they were rather eloquent—comment on how desperate things are in their parts of Ontario. I represent a riding in Ontario as well, and perhaps my riding is the real Ontario. They must live in a different part of the world. I appreciate that Windsor has a large automotive industry and that they are claiming that the automotive industry is destitute. I understand that. Of course, my riding in Ontario has right beside it the great city of Oshawa, which is known for its automotive participation as well.

I do not know where these members live, but in the town of Whitby, which is in my constituency, in the last two years there has been a tremendous influx of automotive parts manufacturers. They moved to Whitby. They may have come from the United States or they may have come from Japan, but having listened to the two speakers just now , I believe they probably came from their ridings because they thought they would get better representation on the other side of Toronto. Maybe that is where they came from.

I am not sure where they came from, but I can tell you that all is not dead and done in the car industry, by any stretch of the imagination. Yes, there is a slowdown today, but the reason for the slowdown is simply one of when you don't sell it, you don't produce it. That is the problem they have. It has nothing to do with any economic free trade agreement or any of these other heresies that one hears on occasion. It is simply a function of economics: when consumers stop spending, they obviously stop producing.

Mr. Wappel: Why does he stop spending, Rene? That is the question.

Mr. Soetens: What happens in this scenario is that we have to carry on and govern. There are things we have to deal with. We have to deal with them in the long term, not the short term. We have tried the short-term solution. In fact, we tried it rather extensively in Ontario in the last five years and proved that it did not work. In the previous five years we tried it here in Ottawa with another Liberal government, which simply thought that we could spend our way out of the scenario that we are in. That obviously did not work. We went through the greatest recession in a long time, back in 1981-82. Spending government money is not the solution, because the government only has one place to find its money; it really does not have any of its own. It comes from the taxpayers of Canada. When you take it from the taxpayers of Canada, they are the ones who object and they are the ones who then do not have it to spend.

I would like to carry on a little further because a number of members have also referenced the Canada-U.S. Free Trade Agreement as part of their problem. I note that one of the two speakers comes from and in fact mentioned the great agricultural area of Canada he represents, and it is. I have no doubt that it is probably one of the more attractive areas for farming and for the

farming community. It can produce some of the best crops. It has probably the greatest variety of ability to grow crops in Canada. All in all I think it has the position to which the member I think rightfully referred, that it is probably at the forefront of Canadian agricultural development.

Of course, he carries on about how desperate things are in the farm community. Yes, there are some desperations. Part of the desperation I am sure relates specifically to some very high costs of borrowing money. The Government of Canada is trying to deal with that. It is trying to bring those interest rates down, but bringing down interest rates artificially only helps for one year.

The government tried that in the late seventies only to have rates go much higher and an awful lot more farm bankruptcies took place when interest rates were at 18 and 20 per cent than did in the last year. They talk about the impact of the Canada–U.S. Free Trade Agreement and I guess I have to talk about that, because I would not want the opposition members to believe their rhetoric that says that free trade has been bad for the agricultural community.

In fact, in the two–way trade in agriculture, there is a trade of about $8 billion per year that takes place between Canada and the United States. In the first full year of that particular agreement, which would be 1989, Canada's trade in agrifood products with the U.S. increased some 13 per cent, while Canada's imports decreased. We can see that there was a positive situation in that scenario.

The 1990 figures show Canada's trade in agricultural products is up 20 per cent over 1989 which is a 13 per cent increase again over 1988. If whisky and alcoholic beverages are included, the figures are increased even further.

For the first time ever, in 1990 Canadian exports to the U.S. in agriculture were over $4 billion. Canadian exports of grain and oilseeds totalled some $687 million in the first 11 months of 1990, which is up over the numbers for 1989.

There is a whole series of statistics which goes on here to talk about the changes. I think the most important area we can talk about is not just the export of raw agricultural products, I think we have to talk about the impact on the Canadian food processing industry, because there are a lot of jobs which are a direct result of agricultural production and those jobs result from food processing.

Here are just some of the impacts. Investment in the food processing sector increased in 1989 by more than 15 per cent, by 40 per cent in the baking industry and by 73 per cent in the red meat industry. Fifty new plants have opened in Canada, 24 in 1990 alone. That does not sound like it is a disaster in the food processing industry because of free trade.

There have been 54 additional plant expansions, 27 of those in 1990. There have been 26 new investments and then some additional mergers as well. All are examples of restructuring, but restructuring that has been healthy for the industry.

When I listen to the members from the Windsor area talk about the negatives of the free trade agreement on their industry, we all know the automotive industry was not affected by the free trade agreement and now we have the food sector showing some very positive signs with regard to its over–all health. I am not sure if those members travel in their ridings, but from the statistics I see it is certainly different than what they are espousing as they speak here in this debate.

I would like to expand on the recession to a degree because, yes, it is having an impact. It is having an impact in my riding. It is having an impact across Canada. There are people losing their jobs and they are losing them for a whole series of reasons. One of the things that is certainly there is the issue of competitiveness and how we deal with the Canadian competitive society. There have been a number of ways of addressing it and certainly some of them relate to proper research and development, some of them relate to investment decisions.

• (1840)

It is interesting that members, particularly in the NDP, have tremendous examples which they espouse every week of companies that pay no taxes because they have taken advantage of certain investment incentives in research and development. They criticize and say that there is not enough research and development going on. Then they criticize when the government in fact creates

incentives for business to do that research and development to create jobs.

Another area they seem to ignore is this whole issue of inflation and the bank rate. It may be difficult to ask people to take less, to cut their salaries in order to make the Canadian economy more competitive, but let me just give a couple of examples which I think are very relevant on the issue of Canadian competitiveness. They are examples that exist in my particular riding, in my particular area of Ontario.

When you are concerned about Canada's ability to compete with a 2 per cent or 3 per cent inflation rate, let me give some examples of what is going on in order to help you understand that if we do not do something the problem gets worse.

Lear Siegler, a company in my riding, just negotiated a union contract. I do not fault the company and I do not fault the union. That is free enterprise. They can negotiate as they please and they can draw their own results. They settled for a 39 per cent increase.

The union president publicly boasted about the fact that they now have a starting salary at the end of the contract of $20.68 an hour. Great, I am glad they were able to do it, but do they have no sense that when one starts at $20.68 an hour in Whitby, Ontario, when one starts at $15 an hour in some other community in Canada or when one starts at $5 an hour somewhere else in the world, they are uncompetitive.

They do not seem to be concerned about that. I have made note of that particular company for one reason. I have no doubt that six months from now or a year from now, the NDP is going to be in this particular chamber yelling: "There is another company that closed because of free trade. It had nothing to do with the fact that the union demanded and got a 39 per cent salary increase".

What happens to that 39 per cent? Clearly people in my constituency look at that and they say: "My goodness, we want a share of that".

Let me give you another example. The teachers in my riding just negotiated a 14 per cent salary increase. Fine, it is the free process of negotiation. If they can negotiate a 14 per cent salary increase, I give them full marks. However, what is not included in that 14 per cent is that they also negotiated a reduction in the number of students in the class. This means the school board also has to hire more teachers. Now we have the school board saying that it needs a 15 per cent tax increase in the municipality.

That works through to the bottom line some place. In Ontario now we also have the story out that the nurses have settled for a 29 per cent salary increase. It is still rumour and I am not sure of the exact number, but it seems that rumour is being substantiated in a number of areas. Great, that is the bargaining process and I respect that.

The only thing I am trying to lead up to is that when we have an inflation rate of 5 per cent and we are negotiating 13 per cent and 14 per cent wage increases, we have to understand that all the other people who live in the area start to look at those dollars and say they want the same thing. If they all get the same thing, then they eventually become uncompetitive.

Therefore, in my riding, houses that used to sell for $100,000 now sell for $250,000. Tell me how the worker was better off. How is the worker better off having doubled his salary, when the cost of housing has gone up two and one-half times. I do not know. I am not saying which is the cause of the other. I am not sure which came first.

I can say one thing. As we collectively demand a lot more and get a lot more, there are others even here in Canada, even in Ontario, who will work for less. They will be competitive and they will be the ones that get the jobs, and those jobs will move from town to town unless we collectively accept that we are in this challenge together.

That is why the government has very clearly put forward this competitive strategy. It is a good strategy. In the case that I mentioned, the Lear Siegler workers who managed to get a 39 per cent salary increase, full marks to them.

If at the same time they upped their output by 39 per cent, that would be tremendous. That is called competitiveness. The net effect to the consumer is marginal, because they are producing an awful lot more. The net effect to the bottom line of the company is marginal because in fact they are selling a lot more, and yet it has been beneficial to the worker in the plant.

What I am suggesting by my comment is that if we are all in this thing together, if we recognize this problem, there is nothing wrong with large increases in pay as long

as there is some offsetting factor to increase the over-all competitiveness of the company. Whether that is by allowing the company to put in new modern equipment, which is being done by many companies, or whether it is done on the basis of encouraging additional investment in new plans, all those things are appropriate as long as we respect that we have to work together in what is considered a competitive environment.

The issue of interest rates of course is raised. Imagine having a $250,000 mortgage or a $200,000 mortgage, assuming you made a down payment on that house in my riding, and now you are going to have to make payments on it. It is a lot easier to make payments at 12 per cent. It is a lot easier to make payments at 11 per cent, and it is much easier to make them at 10.75 per cent where there are some mortgages available at that rate right now.

Of course the reason I made reference to this is because when the Liberals were in office their attitude was: let it go to 18 per cent, let it go to 20 per cent, let it go to 21 per cent. I know it happened. My mortgage went to those levels. I can comfortably stand here today and say because of actions we took, yes, it hurt when it went to 12 per cent. Yes, it hurt when it went to 14 per cent, but it sure never went to 21 per cent because we took the steps we had to take at the appropriate time to keep that inflation rate from going high, to keep the interest rate from going through the roof, which is the attitude members opposite would have.

I know they are not too concerned about the people out there who have mortgage payments. However, in my riding it is easier to justify 11 per cent mortgages than it ever was for the Liberal member of Parliament at the time when there were 21 per cent mortgages in the area.

That all works into competitiveness. When you do not have to make those huge mortgage payments, the end result of that whole situation is that you need less money to make payments. You can therefore presume to live on an income. It is a little easier than if you had large payments. That whole scenario reflects itself along the line.

That is just another example of how the competitiveness situation fits into it. There are additional examples I could give on the impact on the Canadian economy. Maybe I will follow through with one final area relating to economic development.

The motion that is presented suggests that we are really not involved in that process. It is true that in my riding there is limited access for people to be involved in economic development programs. We certainly do support some of the things we have going through the Atlantic Canada Opportunities Agency, western diversification and even such things as assistance for the farm community.

I have talked about some of the agricultural situations with the information I have. Those are all very positive steps my constituents can support. If the over-all economy of Canada is healthy, not just one little corner, not just the Toronto centre region or the Vancouver centre region, all of us benefit. If the people of Nova Scotia are better consumers because they have more money to spend, hopefully they will be consuming more Canadian products.

That is the process we are involved in. I am convinced the government is on the right track, absolutely contrary to the resolution before the House today.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I represent a riding the eastern Ontario riding of Stormont—Dundas, which is a mix of urban and agriculture. I do not want to delay the comments. I want to get right to the nuts and bolts of the debate. However, I cannot neglect mentioning that Cornwall, for instance, has an unemployment rate of 15.5 per cent. Over 3,400 people are unemployed. We will not go over the reasons. I understand that it gets repetitious at the end of a debate, and the day is drawing to an end, but I would like to reflect a moment on the member's comments and a very sensitive point with regard to the deficit, as well as the government's ability in terms of what resources it has available to it and what it may want to do to stimulate the economy.

• (1850)

I want to make it abundantly clear to all members of the House that the example I am going to use is that an agreement between the province and the federal government in no way, shape or form should be misconstrued as being a reflection on this one province. It is a good example of what the government has accomplished most recently in a subsidiary agreement between the province of Quebec and the federal government in the area of

economic development, an $80 million package of which $41 million will be put into the program by the province of Quebec. The other $39 million will be put in by the federal government.

I congratulate the government on this initiative, along with the province of Quebec, because it is the type of initiative that is needed in other areas of the country I submit to you, Mr. Speaker, and to the member.

I would just like to go back to last Friday and what the Parliamentary Secretary to the Minister of State for Small Businesses and Tourism said in the House regarding this particular subsidiary agreement between Canada and Quebec. I would like to quote his words. They begin with: "Help reinforce the economic infrastructures in Quebec". The member went on to say: "Both governments realize that some regions in Quebec have a very high unemployment rate and are experiencing serious economic problems. These initiatives will stimulate the economy in these regions by helping them carry out major projects which will give these communities renewed economic vigour".

I fully understand how the parliamentary secretary felt. He must have felt as proud, and rightfully so, as the government should of this initiative. However, I would submit to the member and to his party that this type of initiative could address itself to a region like mine in eastern Ontario.

For months, through the efforts of the hon. member for Glengarry—Prescott—Russell, the hon. member for Renfrew—Nipissing,—Pembroke, myself and others have undertaken and asked the Minister for Industry, Science and Technology if in fact we could not undertake this type of initiative, which is similar to FEDNOR and now similar to this most recent one, the subsidiary agreement. It is a tremendous example.

I wonder if the member would care to comment on whether this type of initiative could be undertaken in other regions of the country like eastern Ontario, and maybe there are others.

Mr. Soetens: Mr. Speaker, I appreciate the intervention or the comments of the member. I am not fully conversant with the program which he referred to that took place in Quebec, other than I presume it is an ERDA-type agreement that creates economic activity. I guess I would suggest that is happening in parts of Ontario through FEDNOR in one sense already.

The question is: Should there be more of that? Should particular parts of Ontario be included in those kinds of programs? If we did not have a $30 billion deficit, it would be nice, wouldn't it? I guess at this point in time my comment would be that we have a certain budget set aside for economic activity and development. We would like to have more, but within the constraints we have it would be impossible for us to grant every request for every subsidy and for every economic idea that comes along.

In my riding I have all kinds of people who are quite prepared to come forward with ideas to create jobs if somebody else will put up the money. It would be nice if we had it, but we do not have it. I guess under our current budget constraints the money we have will have to do and will have to be spent as far and as wide as we can.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I heard the hon. member from upstairs in my office, and I thought I must hasten down here to put him straight.

First of all, he said that the free trade agreement was not changed. He should reread the deal and read of the change to 50 per cent North American content.

Second, there is another element of this free trade agreement that someone else and I have cited in this House, that is a dollar which has hit 86 cents instead of 73 cents. That is a result of the free trade agreement. When we have jobs moving to Maquiladora, Missouri, Kentucky and so on, it is a consequence, at least in part, of the free trade agreement.

Shortly after he alleged that since we are insistent on identifying the corporate welfare bums we are opposed to any kinds of incentives for research and development. That is not true.

What we oppose is billion dollar giveaways to multinational oil corporations to do what they are going to do any way to make a profit. We are opposed to the luxurious dispensation of the taxpayers' money for business lunches that accomplish nothing. We are opposed to a capital gains tax exemption for investment in the United States. We are opposed to incentives for investment in real estate that never depreciates even though the value goes up.

There is a difference between just giving money away and targeting that money for a specific purpose.

Finally, he gives us the usual discourse on competitiveness that identifies the fault with labour. I find it strange that he did not cite the fact that the real income of ordinary Canadians has gone down since the middle of the seventies, but meanwhile the incomes of good Tory executives have consistently gone up during all that time. Moreover, those high interest rates somehow find their way into the pockets of the same people whose salaries are going up.

Why does Mr. Crow not represent the same model of tolerance of a salary kept at a zero increase so he can fight inflation too? When he does that, I think Canadian workers will maybe begin to listen.

Mr. Soetens: Mr. Speaker, is it not amazing that a member who represents an area of the automotive industry can cry foul that the automotive industry is being ravaged by the free trade agreement? It is interesting that in my riding and adjacent to it in that same two-year period the automotive industry has spent in excess of $3 billion in creating new jobs, new investment. Maybe the problem is in his riding, not in Canada. I can only suggest that.

Another thing I would add is that obviously the gentleman who has just spoken does not really have much to do with the business community. I came from the business community and that lunch he criticizes, that lunch that I used in promoting business in New York City, he would deny the company access to it. It is funny he did not complain when I created through that business promotion lunch $60 million worth of trade for Canada in the United States. He thinks that is an unjust expense. Little does he know about the business community and the methods under which it operates.

Business promotion is important. Part of the business promotion aspect is to make sure customers know who you are, where you are, and what the products are that you have to sell. He does not know that, and that is why he would make those negative comments about that particular area.

I should also like to add that last year in one town in my riding, an area that is supposedly being ravaged by the free trade agreement, there were 68 new companies which built new facilities. They were all small businesses. None of them were these large corporate conglomerates he is talking about. They created 360 new jobs in one town in one part of my riding.

The hon. member can carry on about all the negatives that go on in this country. He ought to travel to some part of Canada where there are some positives which means: just leave his riding and he will see it everywhere.

The Acting Speaker (Mr. DeBlois): It being seven o'clock p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply, pursuant to Standing Order 81(14).

The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 393*)

YEAS

Members

Allmand	Arseneault
Assad	Axworthy (Saskatoon—Clark's Crossing)
Bellemare	Berger
Bevilacqua	Black
Blondin	Boudria
Breaugh	Brewin
Caccia	Callbeck
Campbell (South West Nova)	Catterall
Clancy	Comuzzi
Copps	de Jong
Dingwall	Duhamel
Ferguson	Fisher
Flis	Fontana
Foster	Gaffney
Gagliano	Gardiner
Gauthier	Gray (Windsor West)
Guarnieri	Harb
Harvey (Edmonton East)	Hunter
Jordan	Karpoff
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)

Kristiansen
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Marchi
McCurdy
McLaughlin
Milliken
Ouellet
Parent
Peterson
Pickard
Prud'homme
Rompkey
Speller
Stupich
Vanclief
Whittaker
Young (Acadie—Bathurst)
Laporte
Lee
MacLaren
Manley
Marleau
McGuire
Mifflin
Nystrom
Pagtakhan
Parker
Phinney
Proud
Rideout
Simmons
Stewart
Taylor
Wappel
Wood
Young (Beaches—Woodbine)—78

NAYS

Members

Anderson
Atkinson
Belsher
Bjornson
Blais
Bourgault
Brightwell
Cadieux
Casey
Charest
Collins
Corbett
Crosbie (St. John's West)
Danis
DeBlois
Desjardins
Domm
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Holtmann
Horning
Hughes
Johnson
Jourdenais
Koury
Larrivée
Lewis
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McDermid
McKnight
Merrithew
Moore
Oberle
Plourde
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Shields
Andre
Beatty
Bernier
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Chadwick
Clifford
Cooper
Côté
Crosby (Halifax West)
Darling
de Cotret
Dobbie
Dorin
Edwards
Feltham
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Horner
Hudon
Jacques
Joncas
Kempling
Landry
Layton
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Masse
McDougall (St. Paul's)
McLean
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Sobeski
Soetens
Tardif
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vézina
Vincent
Wenman
Wilbee
Assiniboia)
Winegard
Sparrow
Tétreault
Thompson
Tremblay (Lotbinière)
Van De Walle
Venne
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—
Wilson (Etobicoke Centre)
Worthy—123

Mr. Speaker: I declare the motion lost.

* * *

BUSINESS OF THE HOUSE

Mr. Dingwall: Mr. Speaker, I thought that perhaps in the spirit of co-operation the government House leader and the Minister of Finance might want to give consideration to the following motion:

> That the remaining question necessary to dispose of the budget debate, Ways and Means Proceeding No. 18, be put and divided on immediately and that the two days that remain in the budget debate be added to the number of allotted days in the present supply period.

That is to indicate the co-operation of the Official Opposition.

Mr. Andre: I think that opening position has some basis for future negotiation, which I will be glad to engage in with the hon. member.

Mr. Speaker: It being seven-thirty o'clock p.m., this House stands adjourned until Tuesday, at eleven o'clock, pursuant to Standing Order 24(1).

The House adjourned at 7:28 p.m.